

**Irwin, Stacy**

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**From:** Garman, Kate  
**Sent:** Tuesday, October 16, 2018 11:41 AM  
**To:** Hohlfeld, Amanda  
**Cc:** Gilliss, Edie;Ranganathan, Shefali;Thompson, Adrienne;Brinson, Leslie;Blair, Kyla  
**Subject:** Memo for Mayor's Book Today: TNC Briefing  
**Attachments:** Policy Briefing Book Cover Page.TNC.10.15.2018.docx; Information Policy Decision Memo Template. TNC.10.15.2018 .docx; Mayoral Memo TNC 10-15-18 Appendix Spending Plan Final.docx; Center City Map.pdf; City TNC Fee and Tax Chart.docx

Amanda,

Please find attached documents needed for the Mayor's book today. Thank you!  
Kate



Kate Garman  
Technology Policy Advisor (She/Her/Hers)  
Office of Mayor Jenny A. Durkan | City of Seattle  
M: 206-375-0458 | [kate.garman@seattle.gov](mailto:kate.garman@seattle.gov)  
[Facebook](#) | [Twitter](#) | [Subscribe to Mayor Durkan's E-Newsletter](#)



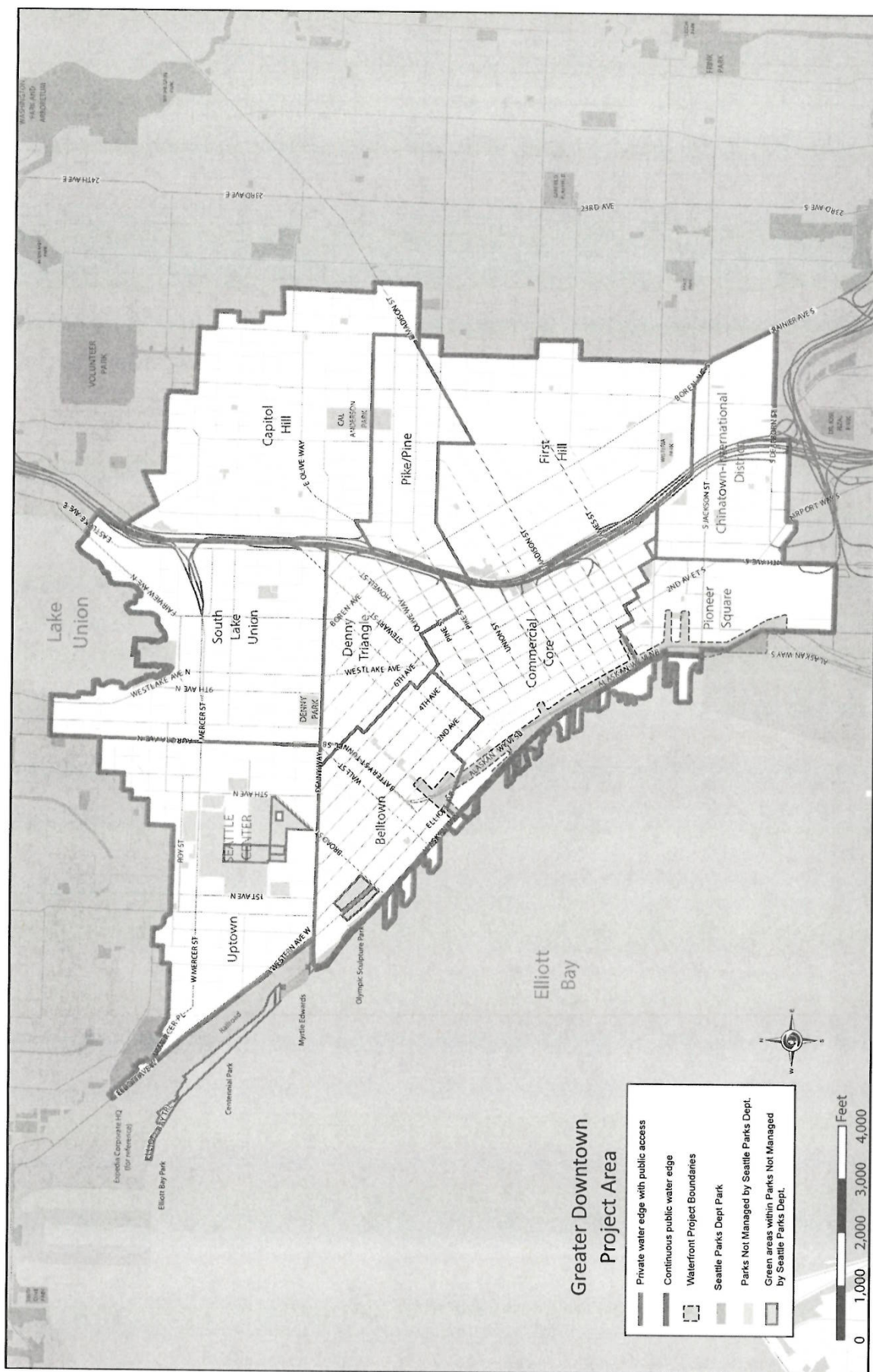
**City of Seattle**  
Mayor Jenny A. Durkan

## POLICY BRIEFING

**To:** Mayor Jenny A. Durkan  
**From:** Kate Garman & Edie Gilliss  
**Subject:** TNC Tax  
**Date:** 10/15/2018

**Expected Attendees at Briefing:**

- Shefali Ranganathan, Deputy Mayor
- Edie Gilliss, Policy Director
- Kate Garman, Technology Policy Advisor
- Leslie Brinson, Homelessness Policy Advisor
- E-Team members





**City of Seattle**  
Mayor Jenny A. Durkan

**To:** Mayor Jenny A. Durkan  
**Date:** October 15, 2018  
**Subject:** TNC Tax  
**From:** Kate Garman + Edie Gilliss

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**Purpose:** YOU have an in person briefing scheduled with the members of your staff working on the TNC Tax.

[REDACTED]

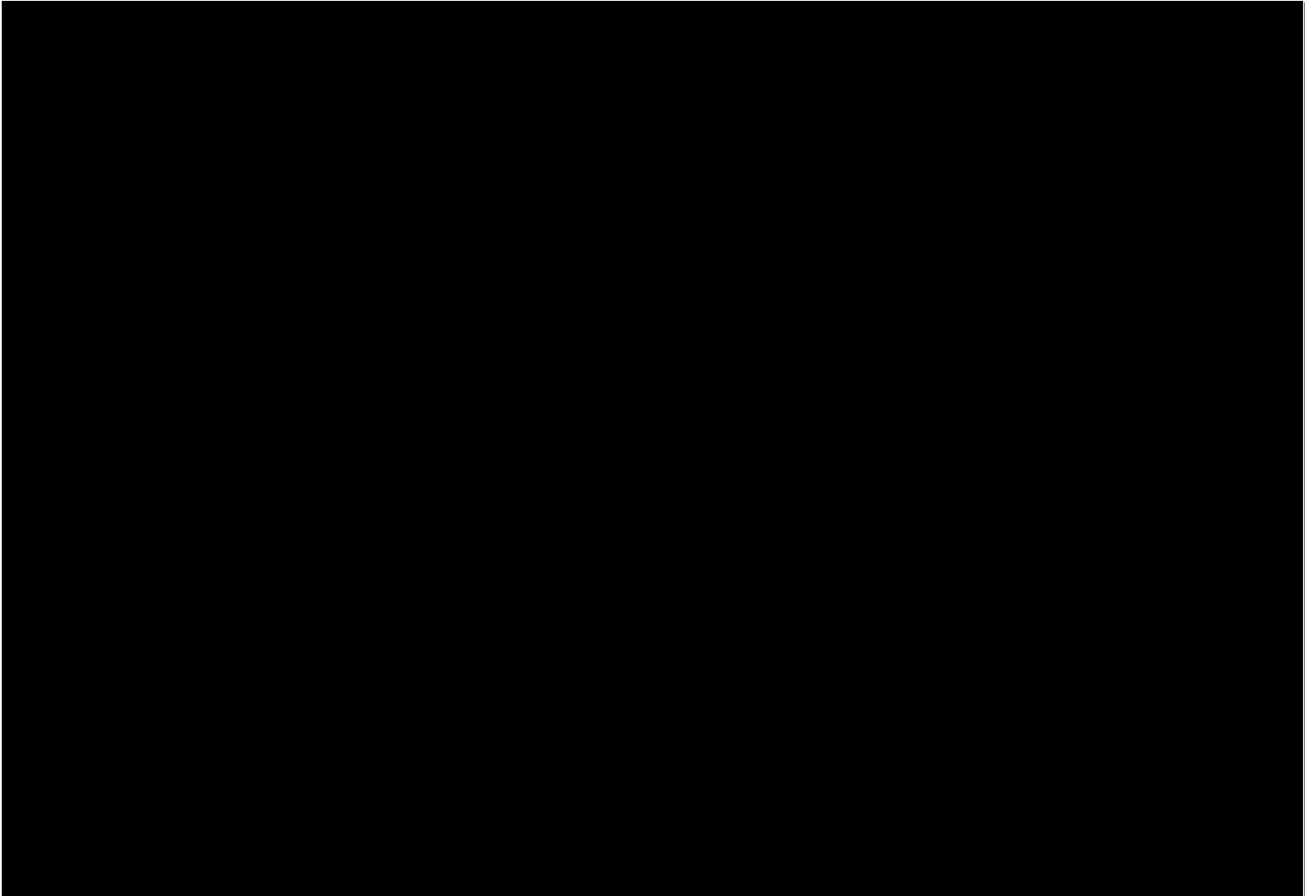
**Background:** In 2017, TNCs reported a total of 20.4 million trips in all Seattle zip codes, up 46% from 2016 trips. [REDACTED]

[REDACTED]

[REDACTED]



**City of Seattle**  
Mayor Jenny A. Durkan

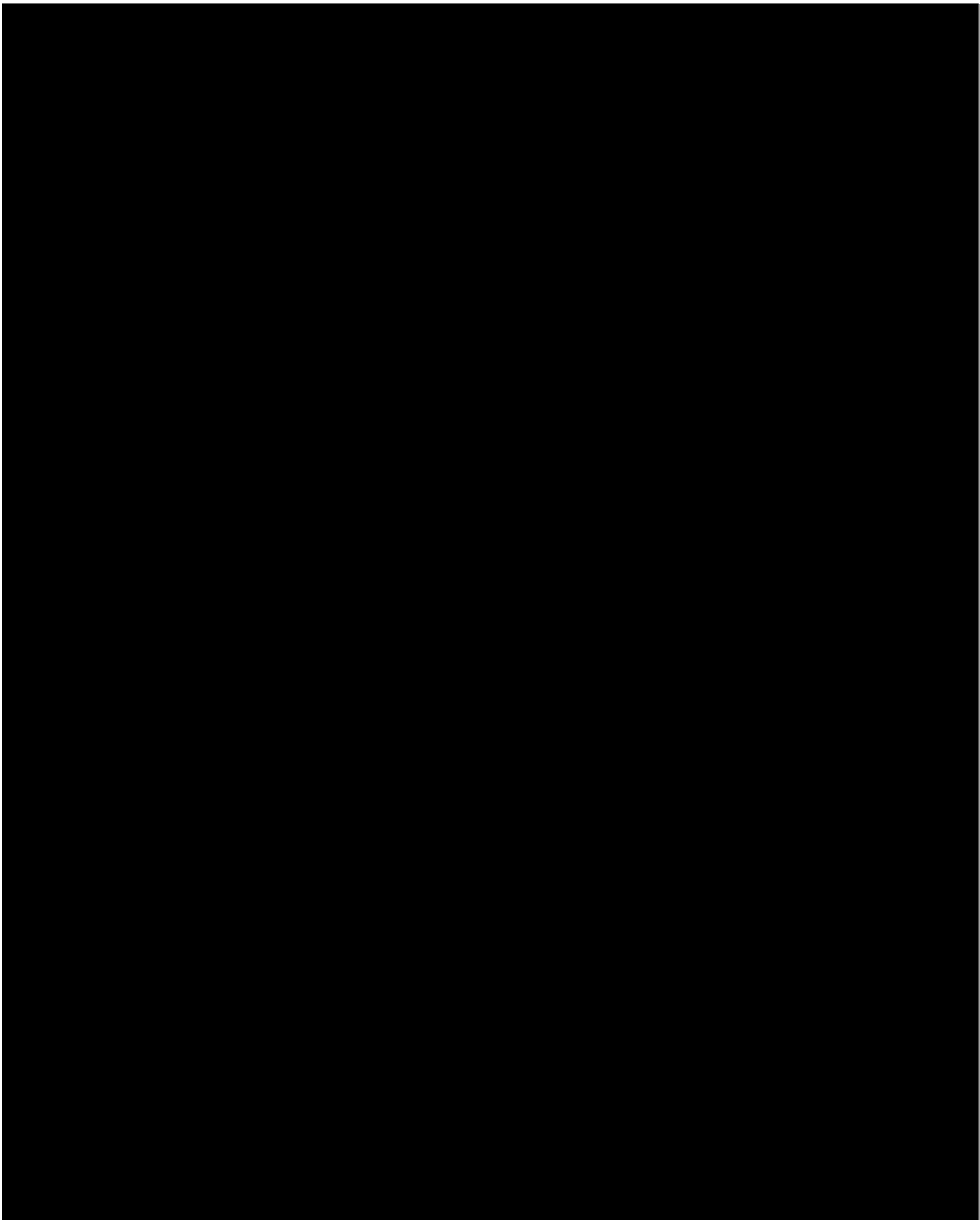


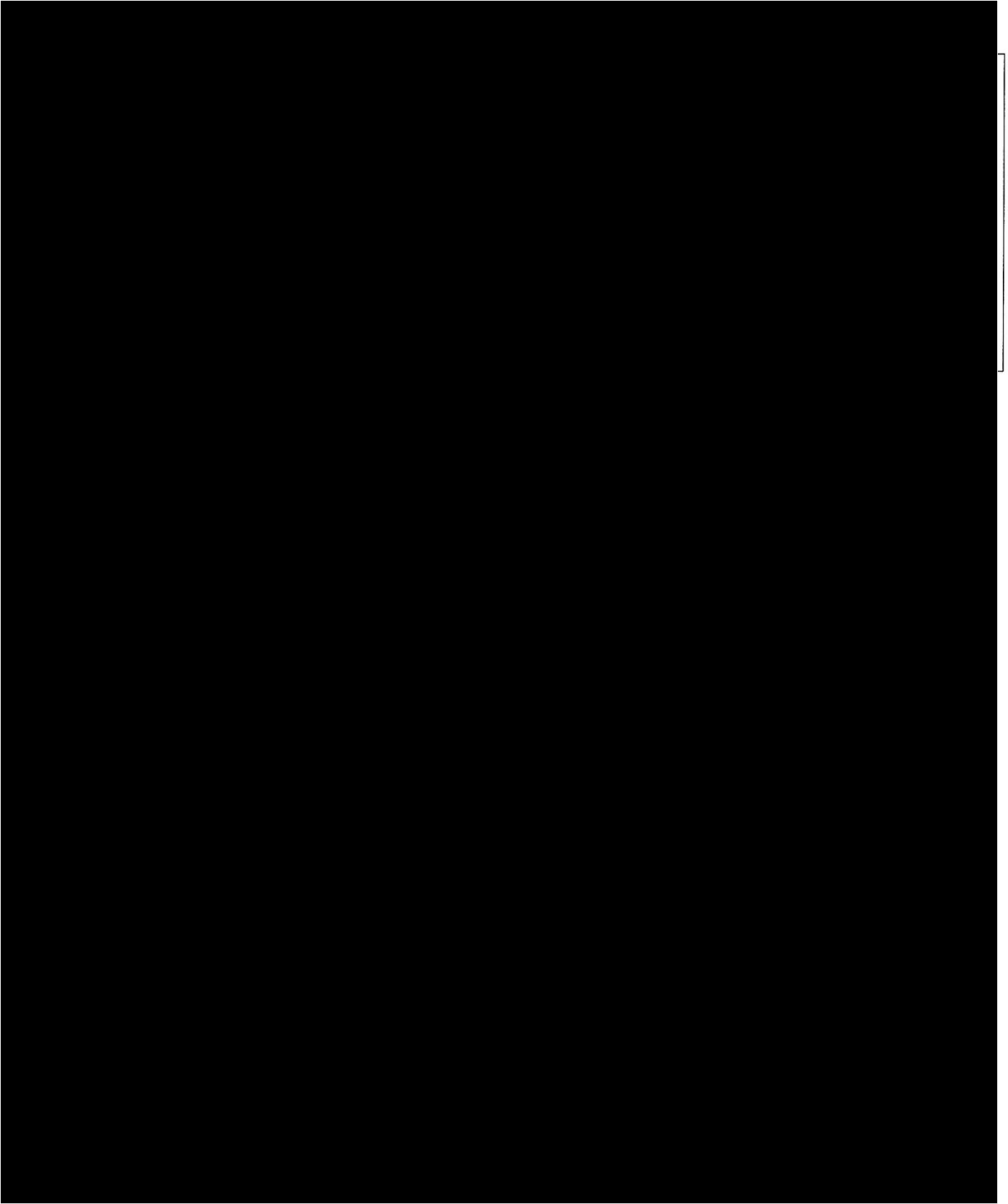
### Appendix

- TNC Taxes & Fees in other Cities
- Map of Center City
- Spending Plan Proposal

## Transportation Network Company City/State Tax & Fee Activity

City	Fee or Tax	Year Most Recent Action Passed	Estimated Revenue	What the revenue is going toward
Chicago	\$0.67 fee per ride, \$0.72 in 2019	First approved in 2015 at \$0.52, a \$0.15 cent increase approved in Nov 2017	In 2016, \$39M for the City's General Fund. 2017 Revenue expected to be \$72M  \$16M to CTA in 2018, \$30M to CTA in 2019	The original \$0.52 will continue to go to the General Fund and Accessibility Fund for vehicles accessible to wheelchairs, additional increase of \$0.15 to go toward the Chicago Transit Authority
Massachusetts	\$0.20 tax	2016	\$13M in 2017	50/50 Earmarked for transportation projects and to help the taxi industry adapt to new technologies and provide job training
New York City	Tax per ride in Manhattan geofence: \$2.50 on yellow taxis \$2.75 on other for-hire, including TNCs \$0.75 for car pool/shared rides	April 2018 – passed at state level	Could generate up to \$605M per year	Going toward the subway system
Philadelphia	1.4% tax	2016	\$3.6M	\$2.6M for public schools, \$1M to enforcement and regulation of TNCs
San Francisco	3.25 tax to single-use rides; 1.5% tax rate to shared carpool; AV TNC's would be included in the tax	July 31, 2018	\$30M per year	Transportation infrastructure and operations throughout the City; revenue remitted by the San Francisco County Transportation Authority
Washington DC	6% tax on revenue	July 2018	\$23M per year	Revenue will go toward funding the District Metro.  Note: the 6% rate now puts taxis and TNC's at the same tax and fee level



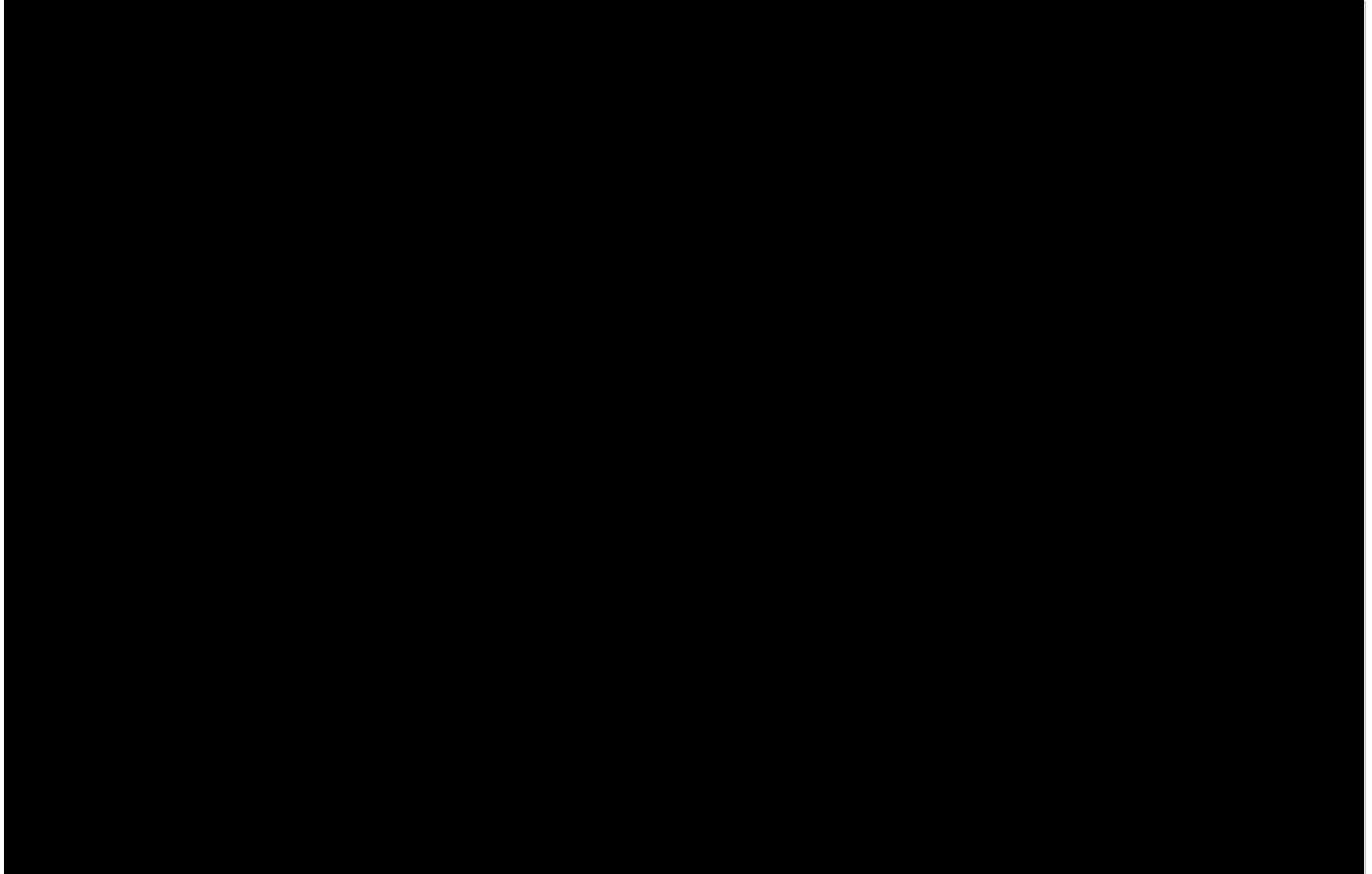


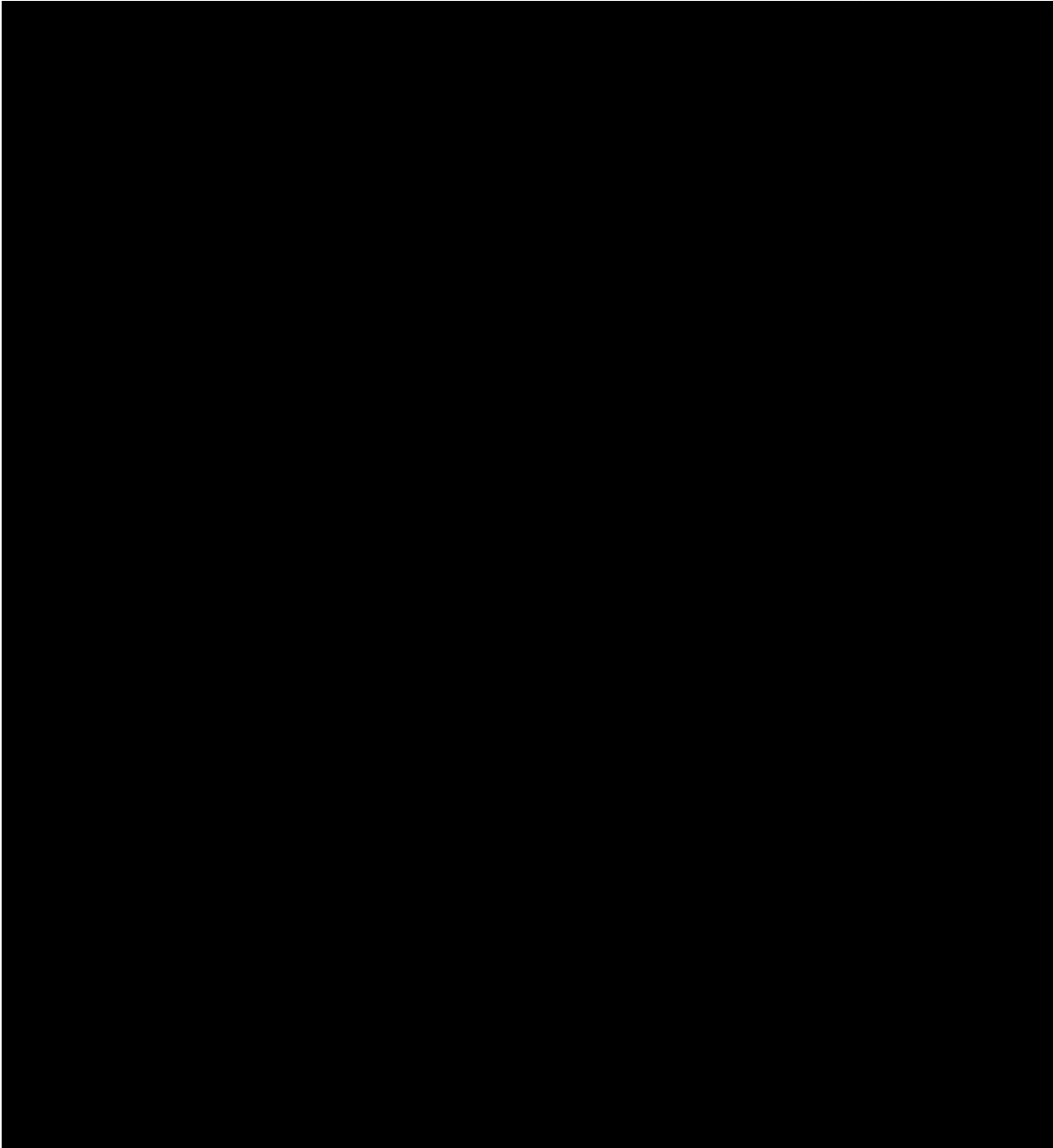
**Irwin, Stacy**

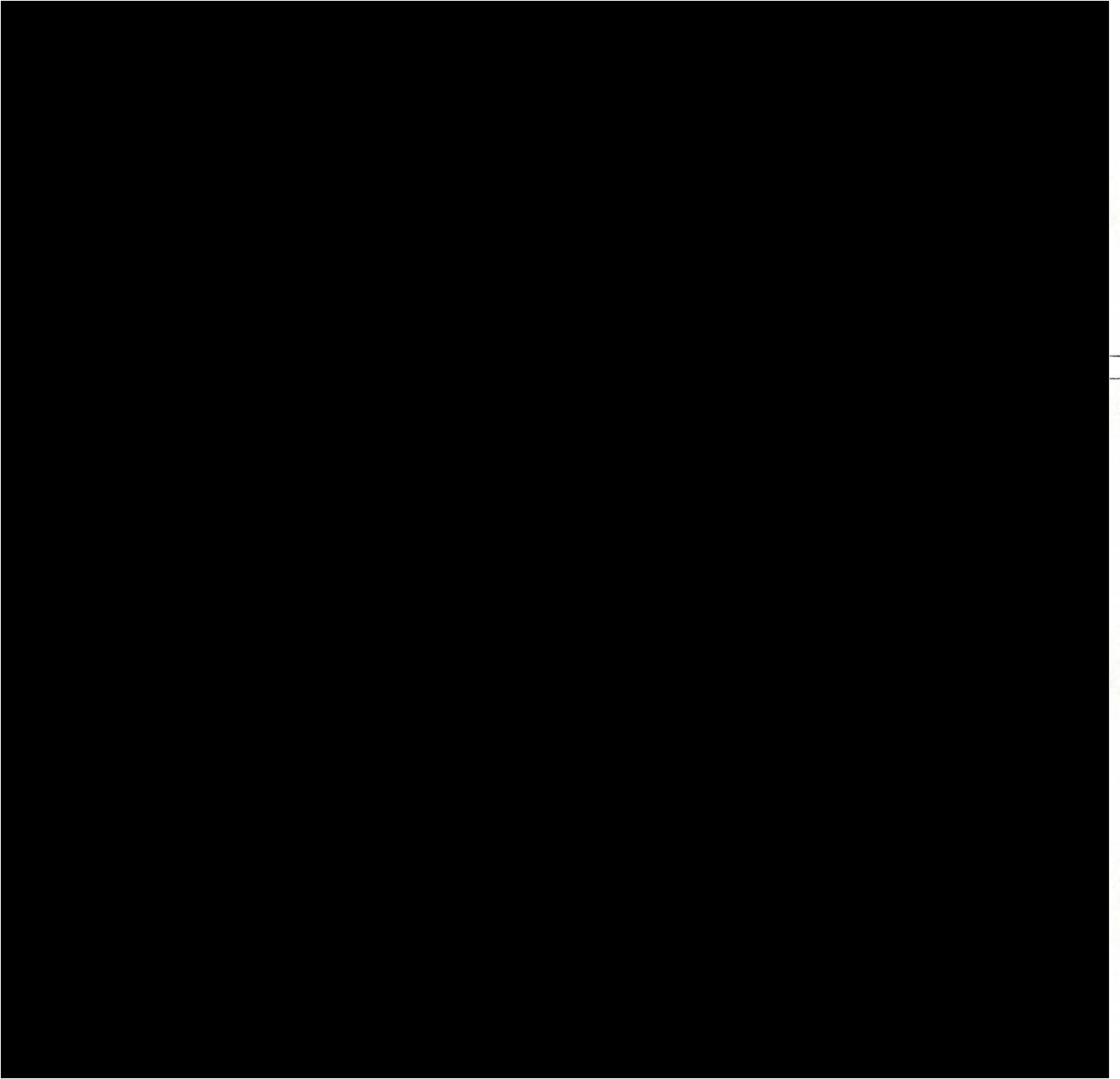
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**From:** Garman, Kate  
**Sent:** Tuesday, October 16, 2018 11:18 AM  
**To:** Gilliss, Edie  
**Subject:** Mayoral Memo TNC 10-15-18 Appendix Spending Plan.eg ed at kg edits  
**Attachments:** Mayoral Memo TNC 10-15-18 Appendix Spending Plan.eg ed at kg edits.docx

New language italicized below.







□

**Irwin, Stacy**

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**From:** Thompson, Adrienne  
**Sent:** Monday, October 15, 2018 4:20 PM  
**To:** Gilliss, Edie;Garman, Kate;Ranganathan, Shefali  
**Subject:** RE: Feedback needed!  
**Attachments:** Mayoral Memo TNC 10-15-18 Appendix Spending Plan.eg edits at edits.docx

Here is some feedback. [REDACTED]

[REDACTED]

Adrienne

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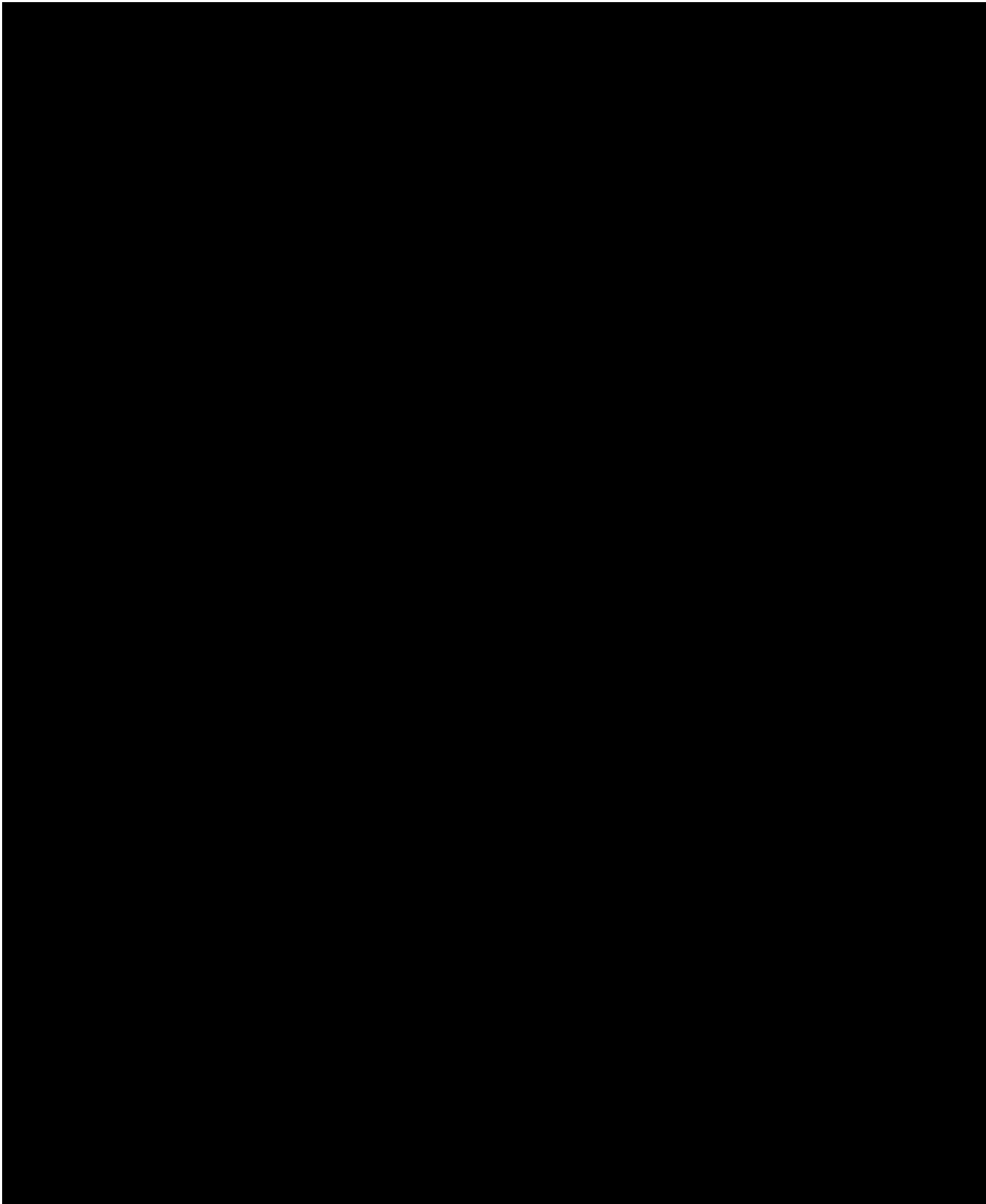
**From:** Gilliss, Edie  
**Sent:** Monday, October 15, 2018 2:57 PM  
**To:** Garman, Kate <Kate.Garman@seattle.gov>; Thompson, Adrienne <Adrienne.Thompson@seattle.gov>; Ranganathan, Shefali <Shefali.Ranganathan@seattle.gov>  
**Subject:** Feedback needed!

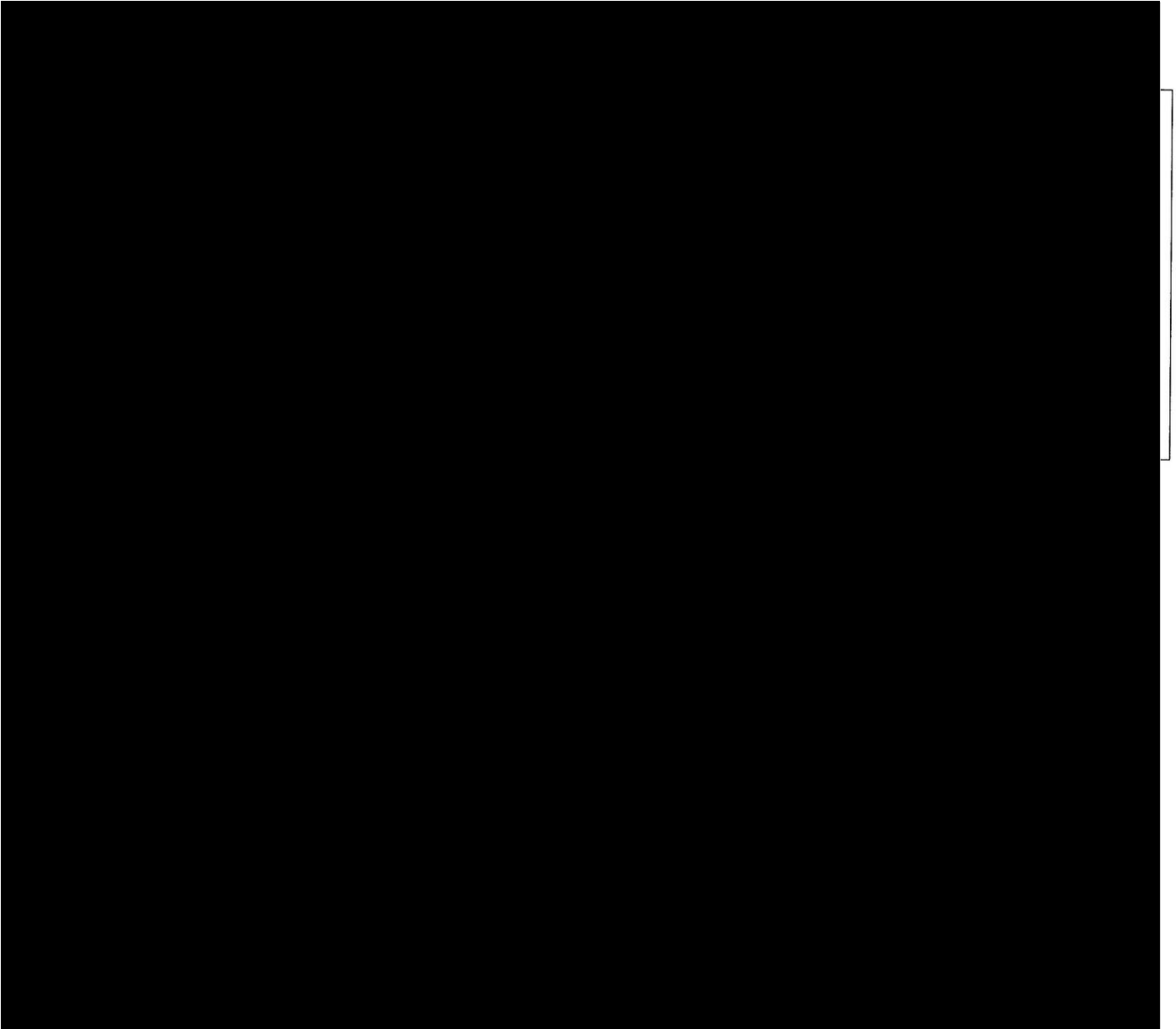
Hi all:

[REDACTED]

4. We need to get this in the Mayor's book tomorrow by noon!

Thanks, All.





## Irwin, Stacy

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**From:** Garman, Kate  
**Sent:** Monday, October 15, 2018 1:44 PM  
**To:** Gilliss, Edie  
**Subject:** FW: TNC memo to the Mayor: Due by Monday 11AM  
**Attachments:** Preliminary Transportation Spend Plan\_1-Page.docx

Full memo for SDOT spend plan.

---

**From:** Corey, Evan  
**Sent:** Monday, October 15, 2018 10:39 AM  
**To:** Garman, Kate <Kate.Garman2@seattle.gov>; Laird, Linea <Linea.Laird@seattle.gov>; Adkins, Genesee <Genesee.Adkins@seattle.gov>; Rula, Kelly <Kelly.Rula@seattle.gov>  
**Cc:** VanValkenburgh, Cristina <Cristina.VanValkenburgh@seattle.gov>; Melanson, Karen <Karen.Melanson@seattle.gov>  
**Subject:** RE: TNC memo to the Mayor: Due by Monday 11AM

Hi Kate,

Attached is the one-page transportation spend plan. Let us know if you have any questions.

Evan Corey Costagliola  
New Mobility Program Manager  
O: 206-684-4653 | M: 206-472-3905

---

**From:** Garman, Kate  
**Sent:** Sunday, October 14, 2018 5:16 PM  
**To:** Laird, Linea <Linea.Laird@seattle.gov>; Adkins, Genesee <Genesee.Adkins@seattle.gov>; Corey, Evan <Evan.Corey@seattle.gov>; Rula, Kelly <Kelly.Rula@seattle.gov>  
**Subject:** RE: TNC memo to the Mayor: Due by Monday 11AM

All,

I think I caught you in time Friday evening, Evan and Kelly.



---

**From:** Garman, Kate  
**Sent:** Friday, October 12, 2018 4:33 PM

**To:** Laird, Linea <[Linea.Laird@seattle.gov](mailto:Linea.Laird@seattle.gov)>; Adkins, Genesee <[Genesee.Adkins@seattle.gov](mailto:Genesee.Adkins@seattle.gov)>; Corey, Evan <[Evan.Corey@seattle.gov](mailto:Evan.Corey@seattle.gov)>; Rula, Kelly <[Kelly.Rula@seattle.gov](mailto:Kelly.Rula@seattle.gov)>

**Subject:** TNC memo to the Mayor: Due by Monday 11AM

**Importance:** High

All,

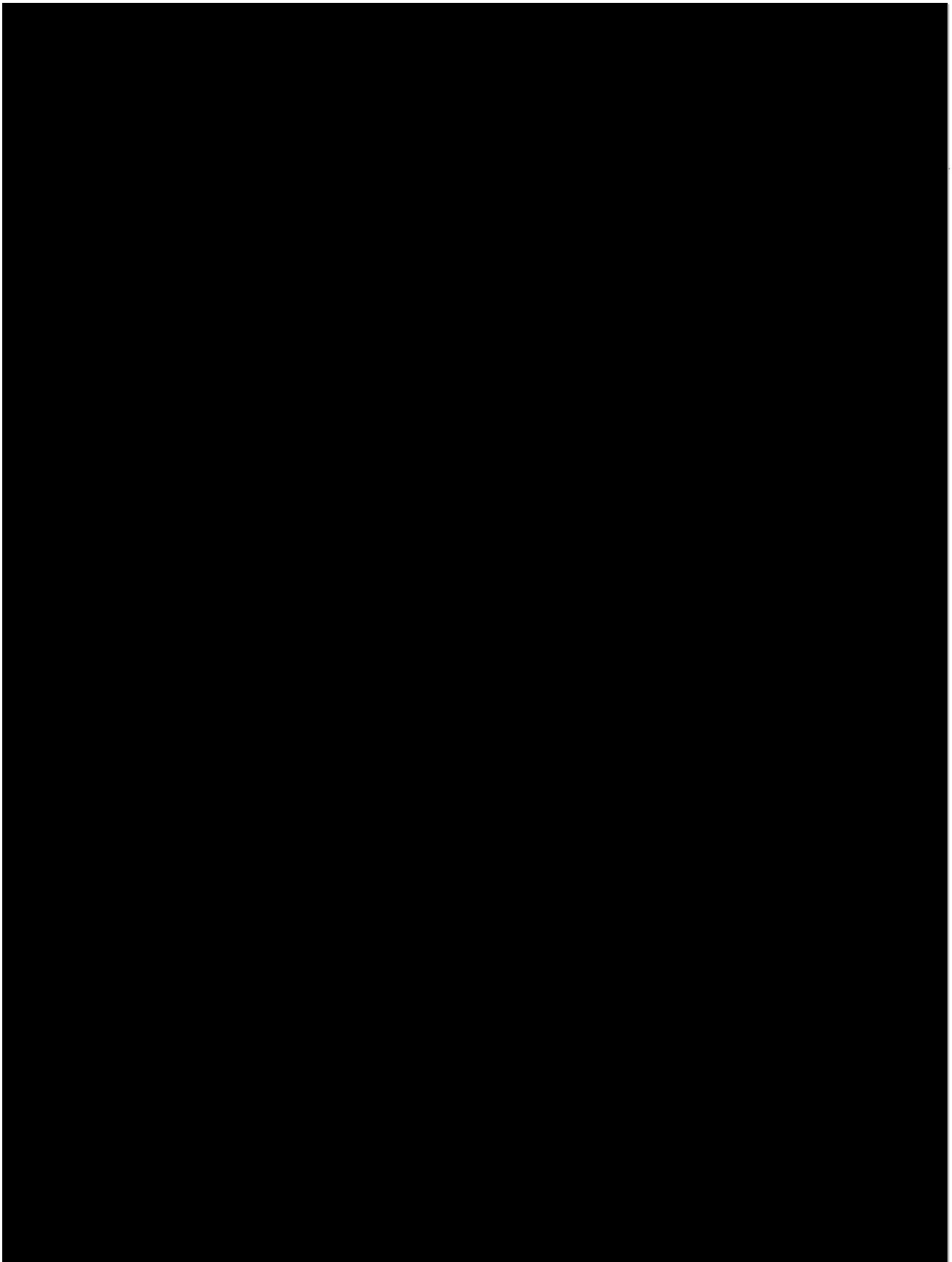
Thank you for all of your work and contribution to the TNC discussion. Truly, it's a lot of the work that is at the center of this conversation.

Unfortunately I have an ask with a quick turn around time. The attached memo is what we will be sending to the Mayor.

[REDACTED]  
[REDACTED] Therefore, I ask that you get this to me by 11 AM on Monday.

I'll be working over the weekend, so I'm happy to answer any questions you may have.

Thank you!  
Kate



**Irwin, Stacy**

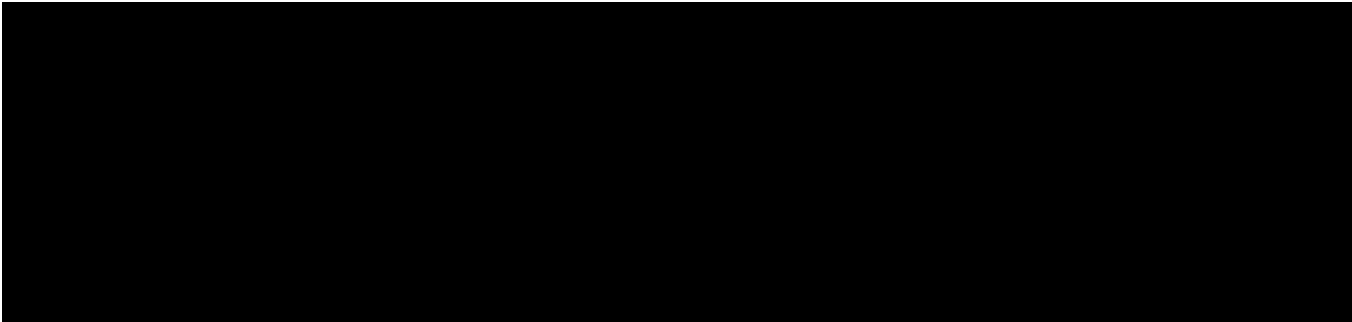
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**From:** Garman, Kate  
**Sent:** Sunday, October 14, 2018 5:14 PM  
**To:** Emerson, George; Brinson, Leslie; Hennes, David  
**Cc:** Noble, Ben  
**Subject:** RE: Information Policy Decision Memo Template. TNC.10.12.2018  
**Attachments:** Information Policy Decision Memo Template. TNC.10.15.2018 .docx

George,



Leslie- updated memo attached.



---

**From:** Emerson, George  
**Sent:** Friday, October 12, 2018 5:35 PM  
**To:** Garman, Kate <Kate.Garman2@seattle.gov>; Brinson, Leslie <Leslie.Brinson@Seattle.gov>; Hennes, David <David.Hennes@seattle.gov>  
**Cc:** Noble, Ben <Ben.Noble@seattle.gov>  
**Subject:** RE: Information Policy Decision Memo Template. TNC.10.12.2018

Kate,



George Emerson  
City Budget Office  
O:206.733.9110 | [george.emerson@seattle.gov](mailto:george.emerson@seattle.gov)

---

**From:** Garman, Kate

**Sent:** Friday, October 12, 2018 5:10 PM

**To:** Brinson, Leslie <[Leslie.Brinson@Seattle.gov](mailto:Leslie.Brinson@Seattle.gov)>; Hennes, David <[David.Hennes@seattle.gov](mailto:David.Hennes@seattle.gov)>; Emerson, George <[George.Emerson@seattle.gov](mailto:George.Emerson@seattle.gov)>

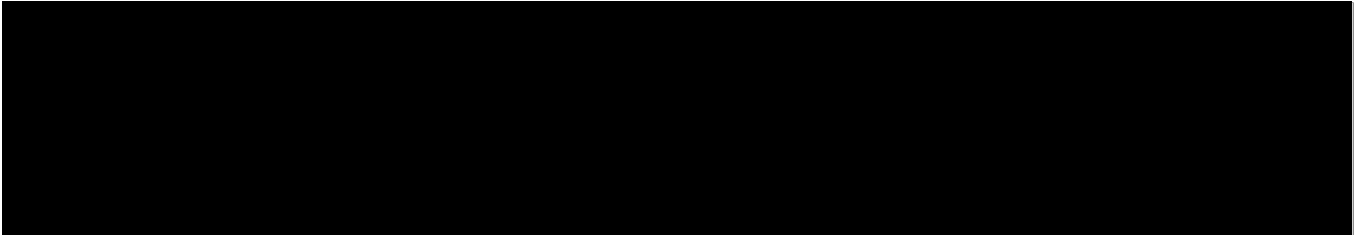
**Cc:** Noble, Ben <[Ben.Noble@seattle.gov](mailto:Ben.Noble@seattle.gov)>

**Subject:** Information Policy Decision Memo Template. TNC.10.12.2018

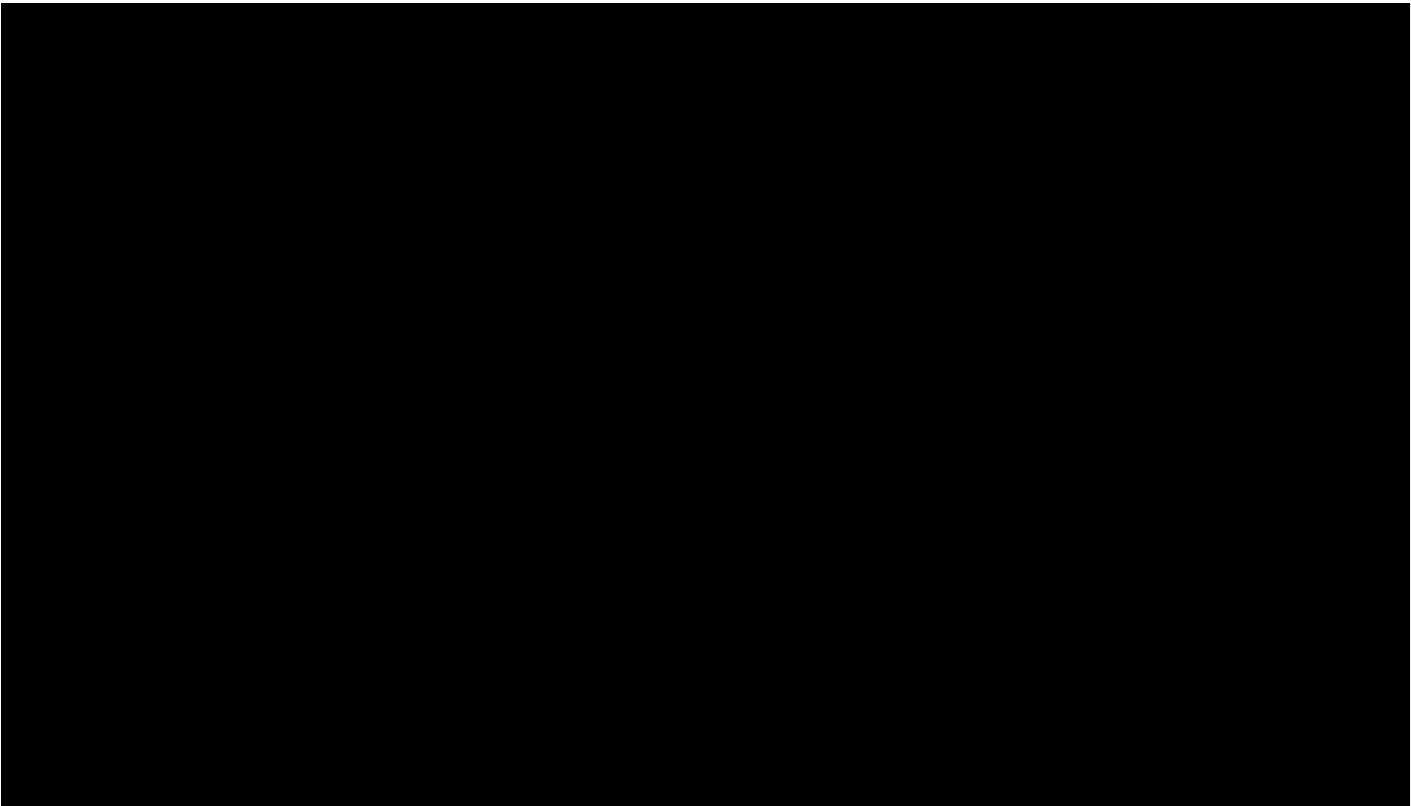
**Importance:** High

All-

Please find attached the draft memo that will go into the Mayor's book on Monday at noon.



Of course this deadline is too short. I ask that any last revisions be given to me by **11AM on Monday**. THANK YOU!!!





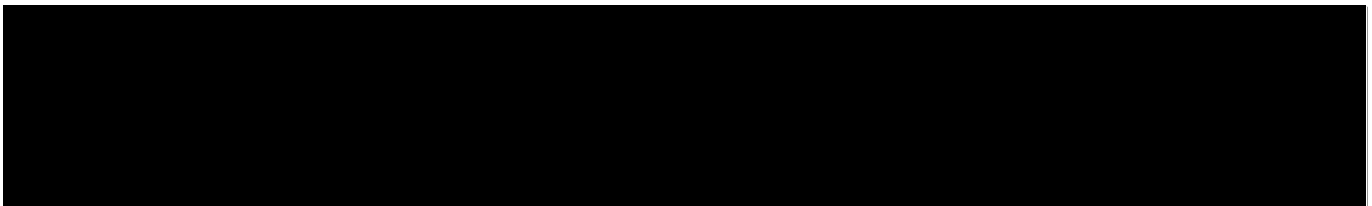
## City of Seattle

Mayor Jenny A. Durkan

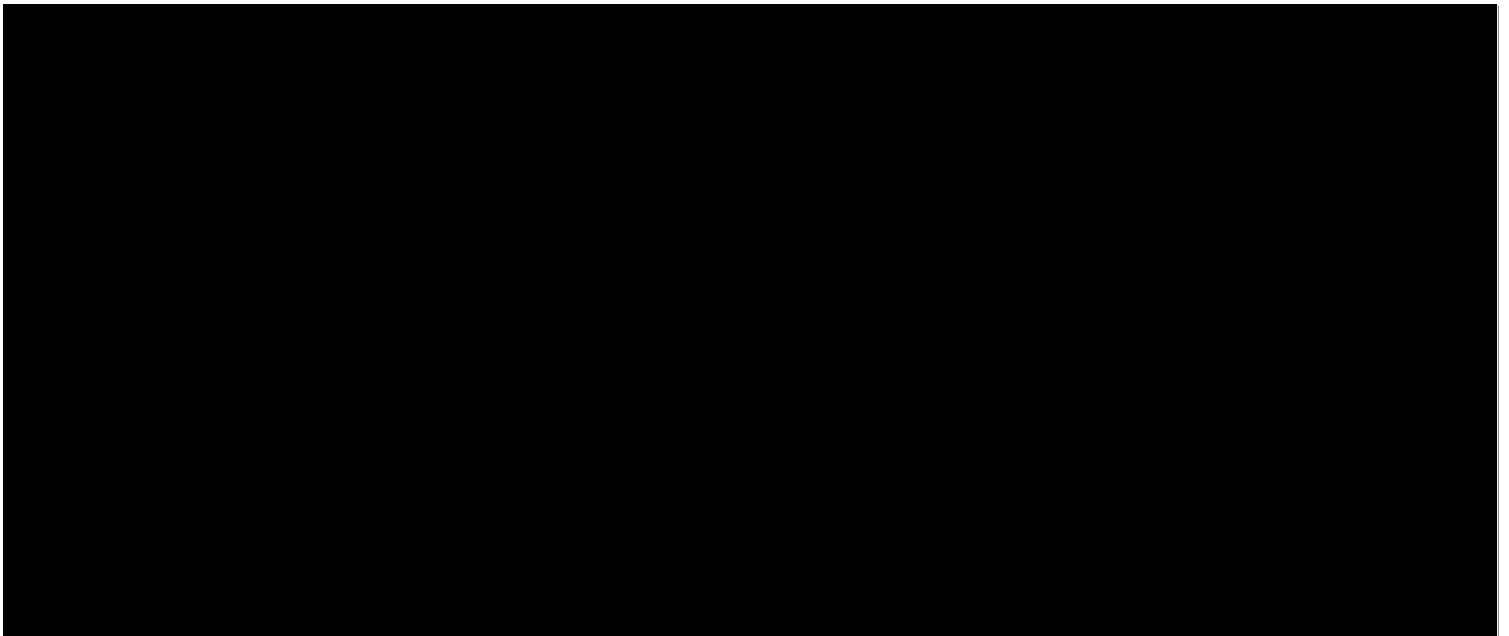
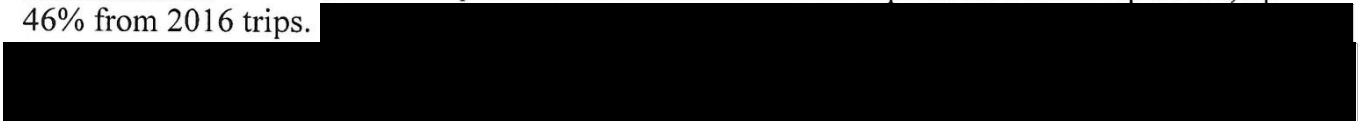
**To:** Mayor Jenny A. Durkan  
**Date:** October 11, 2018  
**Subject:** TNC Tax  
**From:** Kate Garman + Edie Gilliss

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**Purpose:** YOU have an in person briefing scheduled with the members of your staff working on the TNC Tax.

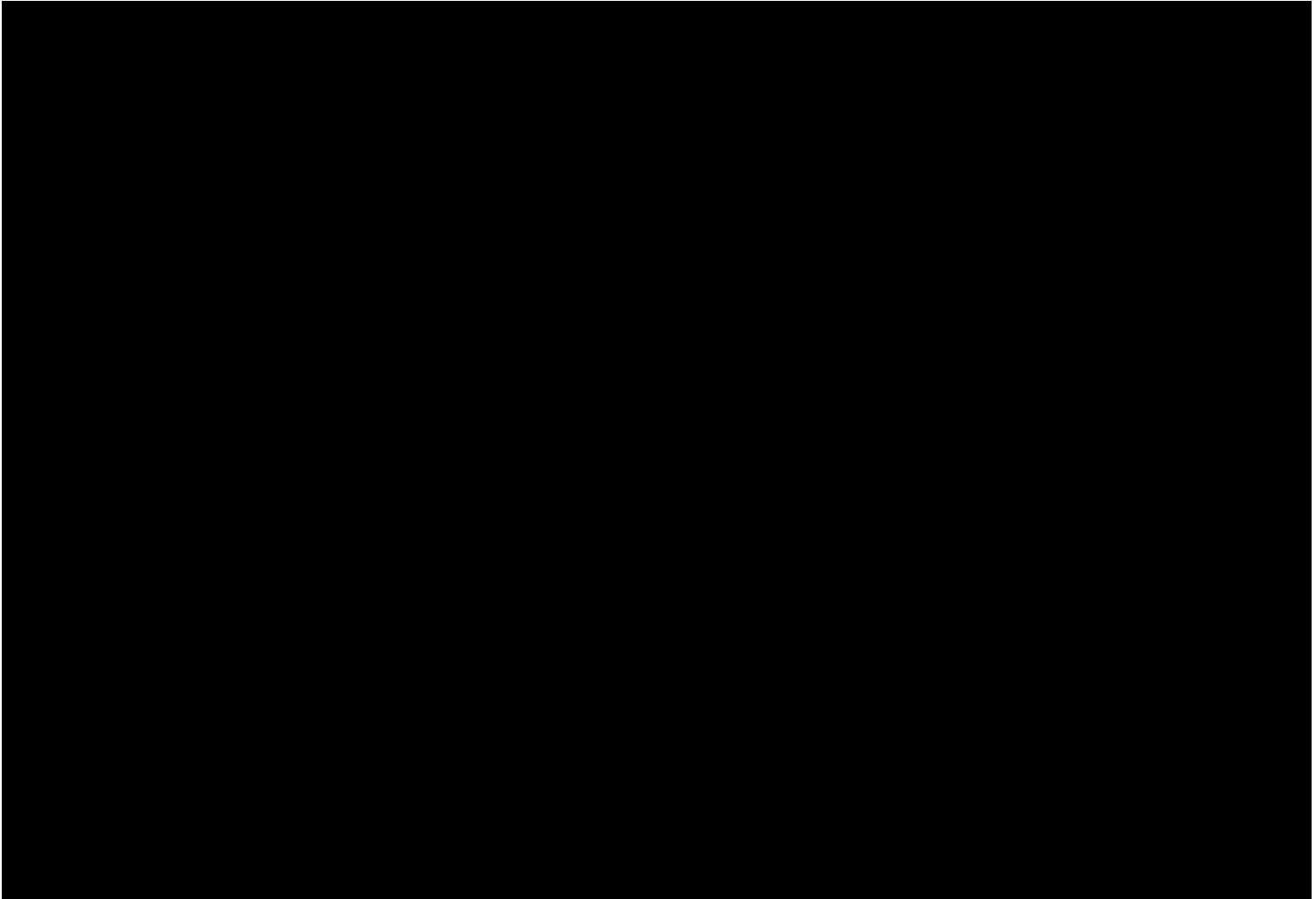


**Background:** In 2017, TNCs reported a total of 20.4 million trips in all Seattle zip codes, up 46% from 2016 trips.





**City of Seattle**  
Mayor Jenny A. Durkan



**Appendix**

- TNC Taxes & Fees in other Cities
- Map of Center City
- Spending Plan Proposal
- Communications plan

## Irwin, Stacy

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**From:** Garman, Kate  
**Sent:** Thursday, October 11, 2018 1:02 PM  
**To:** Finn Coven, Jessica;Laird, Linea;Lee, Glen;Brinson, Leslie;Thompson, Adrienne;Blair, Kyla;Emerson, George;Hennes, David  
**Subject:** TNC Briefing Materials  
**Attachments:** E-Team Briefing Agenda 10-11-18.docx; TNC 2018 Policy Timeline.pdf

FYI – please let me know ASAP if you have any suggested modifications. If you can make it at 2:00 today for our quick catch up, we'll be meeting in Edie's office on the 6<sup>th</sup> floor of City Hall. Thanks!

Kate



Kate Garman  
Technology Policy Advisor (She/Her/Hers)  
Office of Mayor Jenny A. Durkan | City of Seattle  
M: 206-375-0458 | [kate.garman@seattle.gov](mailto:kate.garman@seattle.gov)  
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TNC Next Steps  
October 11, 2018

AGENDA

- [REDACTED]

➤ What is our strategy to decide a tax rate

➤ What is a potential plan for spending:

➤ Worker and driver protections strategy:

➤ External engagement plan:

➤ Comms plan
- JFC and Linea | 5 Minutes

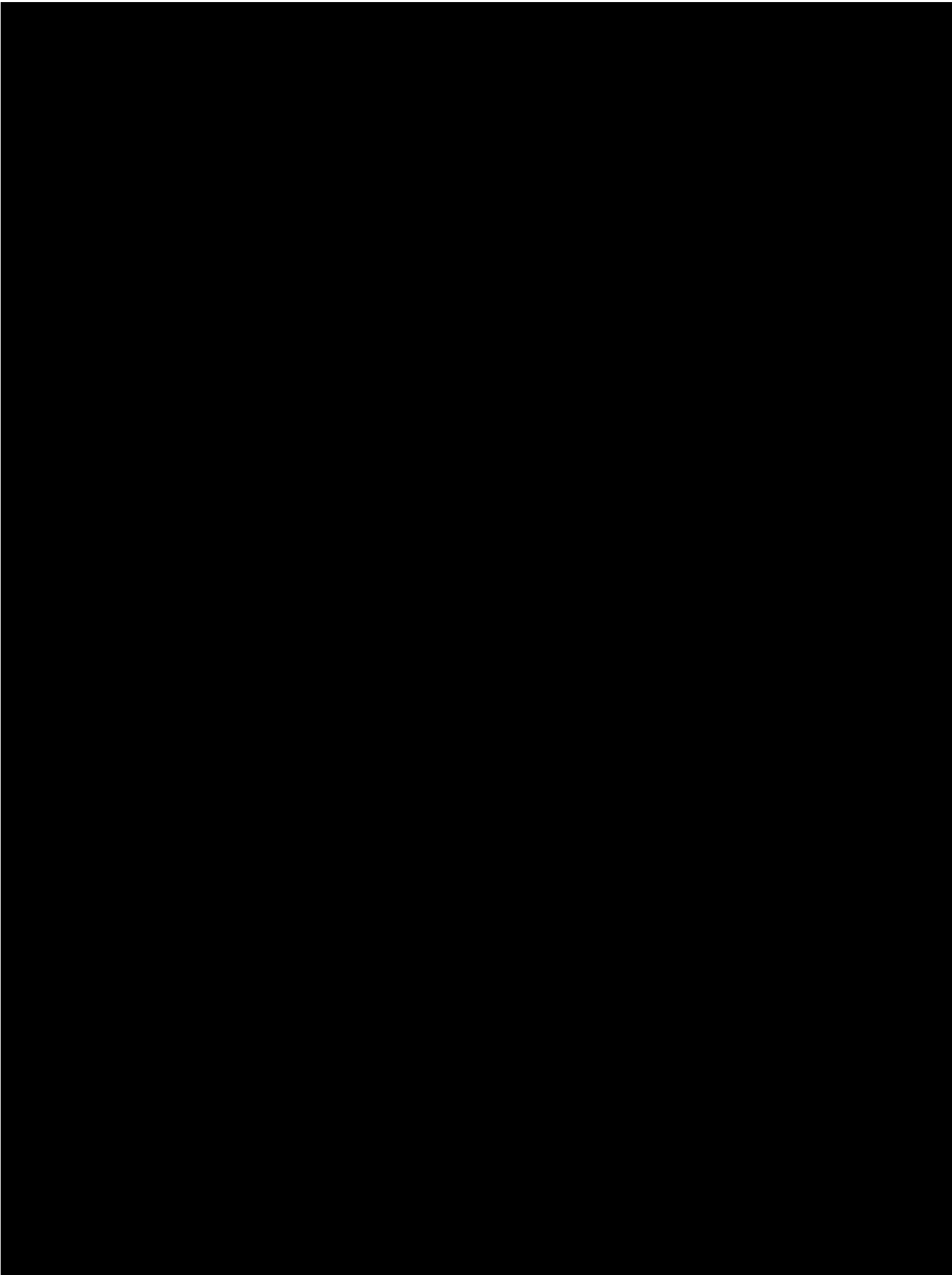
Kate | 5 Minutes

Leslie and Kate | 10 minutes

Adrienne | 10 minutes

Kyla | 5 Minutes

5 Minutes



## Irwin, Stacy

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**From:** MO\_Briefings  
**Sent:** Thursday, October 11, 2018 9:26 AM  
**To:** Helmbrecht, Elliot  
**Subject:** RE: Items progressing to E-Team 10/11  
**Attachments:** 6. TNC Congestion Tax.pdf

Hey Elliot!

Here you go!

Thanks!



Dayana "Dayo" Vice  
Policy Briefings Advisor/Pipeline Manager  
**Pronouns:** She/Her/Hers  
Office of Mayor Jenny A. Durkan | City of Seattle  
O: 206-233-1529 | M: 206-437-7566 | [dayana.vice@seattle.gov](mailto:dayana.vice@seattle.gov)  
[Facebook](#) | [Twitter](#) | [Subscribe to Mayor Durkan's E-Newsletter](#)

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**From:** Helmbrecht, Elliot  
**Sent:** Wednesday, October 10, 2018 10:37 AM  
**To:** MO\_Briefings <[MO\\_Briefings@seattle.gov](mailto:MO_Briefings@seattle.gov)>  
**Subject:** RE: Items progressing to E-Team 10/11

Thanks, Dayo. Can I get a copy of the TNC congestion tax memo?

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**From:** MO\_Briefings  
**Sent:** Tuesday, October 9, 2018 4:24 PM  
**To:** Adkins, Genesee <[Genesee.Adkins@seattle.gov](mailto:Genesee.Adkins@seattle.gov)>; Boawn, Jeanie <[Jeanie.Boawn@seattle.gov](mailto:Jeanie.Boawn@seattle.gov)>; Brooks, Melia <[Melia.Brooks@seattle.gov](mailto:Melia.Brooks@seattle.gov)>; Brown, LaTonya C <[LaTonya.Brown@seattle.gov](mailto:LaTonya.Brown@seattle.gov)>; Bull, Karina <[Karina.Bull@seattle.gov](mailto:Karina.Bull@seattle.gov)>; Chinn, Bonita <[Bonita.Chinn@seattle.gov](mailto:Bonita.Chinn@seattle.gov)>; Ellingson, Susan <[Susan.Ellingson@seattle.gov](mailto:Susan.Ellingson@seattle.gov)>; Erb, Megan <[Megan.Erb@seattle.gov](mailto:Megan.Erb@seattle.gov)>; FAS\_Pipeline <[FAS\\_Pipeline@seattle.gov](mailto:FAS_Pipeline@seattle.gov)>; Fisher, Christopher <[Christopher.Fisher@seattle.gov](mailto:Christopher.Fisher@seattle.gov)>; Fitzpatrick, Helen <[Helen.Fitzpatrick@seattle.gov](mailto:Helen.Fitzpatrick@seattle.gov)>; Graff, Barb <[Barb.Graff@seattle.gov](mailto:Barb.Graff@seattle.gov)>; Hanson, Harrietta <[Harrietta.Hanson@seattle.gov](mailto:Harrietta.Hanson@seattle.gov)>; Helmbrecht, Elliot <[Elliot.Helmbrecht@seattle.gov](mailto:Elliot.Helmbrecht@seattle.gov)>; Hoff, Paula <[Paula.Hoff@seattle.gov](mailto:Paula.Hoff@seattle.gov)>; Hursh, Danielle <[Danielle.Hursh@seattle.gov](mailto:Danielle.Hursh@seattle.gov)>; Huynh, Linh <[Linh.Huynh@seattle.gov](mailto:Linh.Huynh@seattle.gov)>; Johnson, Julie <[Julie.Johnson@seattle.gov](mailto:Julie.Johnson@seattle.gov)>; Kellogg, Chelsea (DOE) <[Chelsea.Kellogg@seattle.gov](mailto:Chelsea.Kellogg@seattle.gov)>; Klein, Jane <[Jane.Klein@seattle.gov](mailto:Jane.Klein@seattle.gov)>; Leyritz, Pat <[Pat.Leyritz@seattle.gov](mailto:Pat.Leyritz@seattle.gov)>; Lovell, Rebecca <[Rebecca.Lovell@seattle.gov](mailto:Rebecca.Lovell@seattle.gov)>; Lundberg, Debi <[Debi.Lundberg@seattle.gov](mailto:Debi.Lundberg@seattle.gov)>; McLain, Susan <[Susan.McLain@seattle.gov](mailto:Susan.McLain@seattle.gov)>; Melake, Tiffani <[Tiffani.Melake@seattle.gov](mailto:Tiffani.Melake@seattle.gov)>; Morris, Dylan <[Dylan.Morris@seattle.gov](mailto:Dylan.Morris@seattle.gov)>; Nguyen, Phuong <[Phuong.Nguyen@seattle.gov](mailto:Phuong.Nguyen@seattle.gov)>; Saffery, Susan <[Susan.Saffery@seattle.gov](mailto:Susan.Saffery@seattle.gov)>; Sheridan, Rick <[rsheridan\\_dl@spl.org](mailto:rsheridan_dl@spl.org)>; Sherry, Karen <[Karen.Sherry@seattle.gov](mailto:Karen.Sherry@seattle.gov)>; Smith, Hannah <[Hannah.Smith@seattle.gov](mailto:Hannah.Smith@seattle.gov)>; Standley, Amanda <[Amanda.Standley@seattle.gov](mailto:Amanda.Standley@seattle.gov)>; Stotler, Valauri <[Valauri.Stotler@seattle.gov](mailto:Valauri.Stotler@seattle.gov)>; Swab, Cheryl <[Cheryl.Swab@seattle.gov](mailto:Cheryl.Swab@seattle.gov)>; Tittel, Carrie - OEM <[Carrie.Tittel@seattle.gov](mailto:Carrie.Tittel@seattle.gov)>; Uy, Joaquin <[Joaquin.uy@seattle.gov](mailto:Joaquin.uy@seattle.gov)>; Wells, Denise <[Denise.Wells@seattle.gov](mailto:Denise.Wells@seattle.gov)>; Wilson, Alfreda <[Alfreda.Wilson@seattle.gov](mailto:Alfreda.Wilson@seattle.gov)>  
**Subject:** Items progressing to E-Team 10/11

Hello Pipeline Liaisons!

Below is the list of Pipeline Submissions advancing to E-team Review this week.

#	Topic	Lead Dept.	Notes
1	LEAD	MOS	
2	Women's Commission Recommendations Re: Evictions	SOCR/ MOS	
3	Parks Mid - Cycle Report	SPR	
4	SPS/City Partnership Recommendation (Memorial Stadium)	OW	
5	TNC Congestion Tax	MOS	
6	Regional Governance	MOS	

Please let me know if you have any questions.

Sincerely,

Angie

# Memo

**Date:** 10/8/18

**To:** Mayor Jenny Durkan

**CC:** Shefali Ranganathan, Edie Gilliss

**Written By:** Adrienne Thompson, Leslie Brinson, Kate Garman, Kyla Blair

**Subject:** Transportation Network Companies: Next Steps

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Mayor Durkan,

Last we briefed you, we gave a summary on work related to a TNC Congestion Tax. [REDACTED]

[REDACTED]


Thus, this memo is organized by the following topic areas:

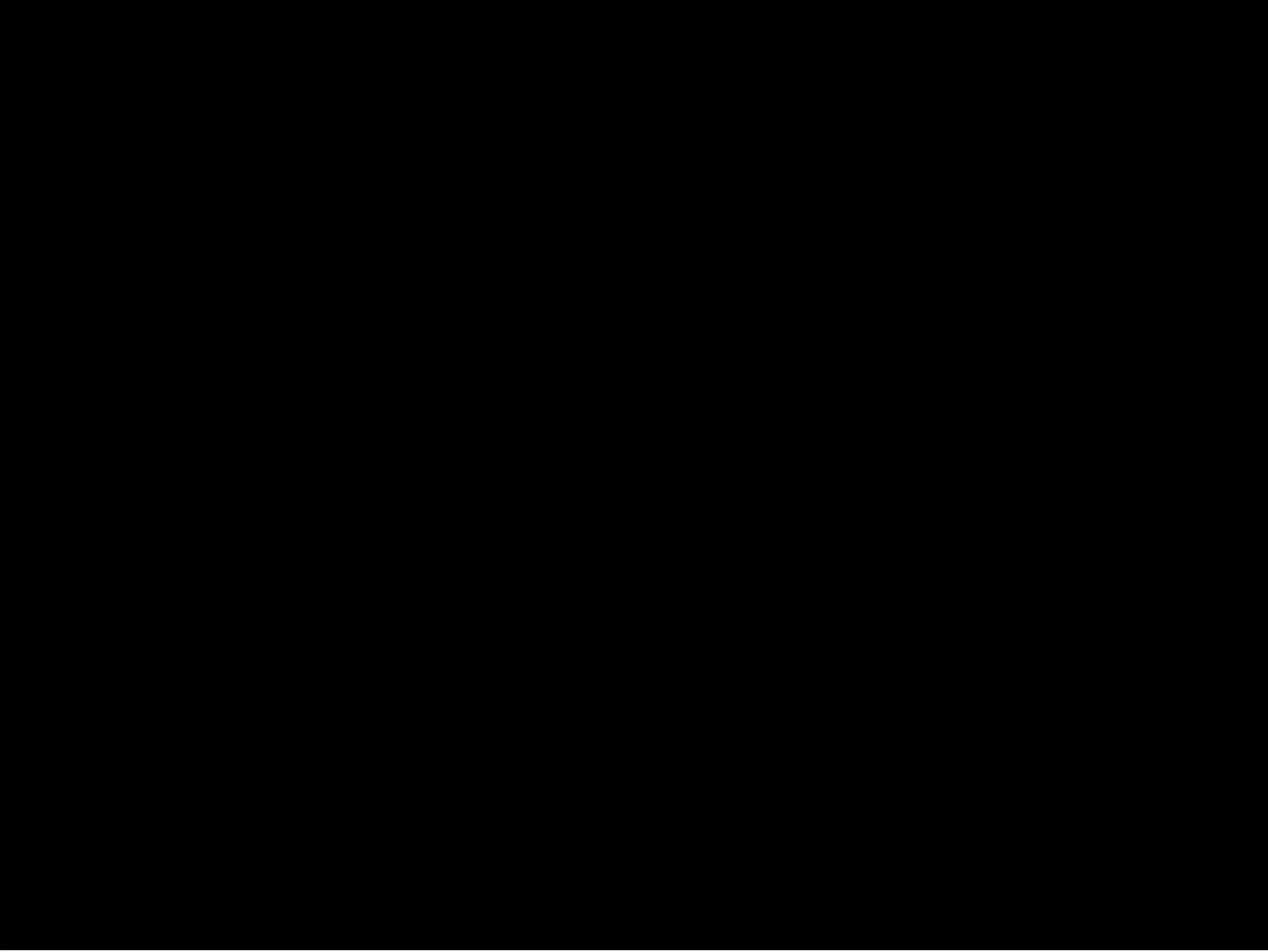
- Worker and Driver Protections
  - Congestion Tax Scenarios
  - Potential Spending Plan
  - Timeline and Key Stakeholders - Civic Engagement
  - Appendix: City/State Recently Implemented Taxes or Fees on TNC's
- [REDACTED]

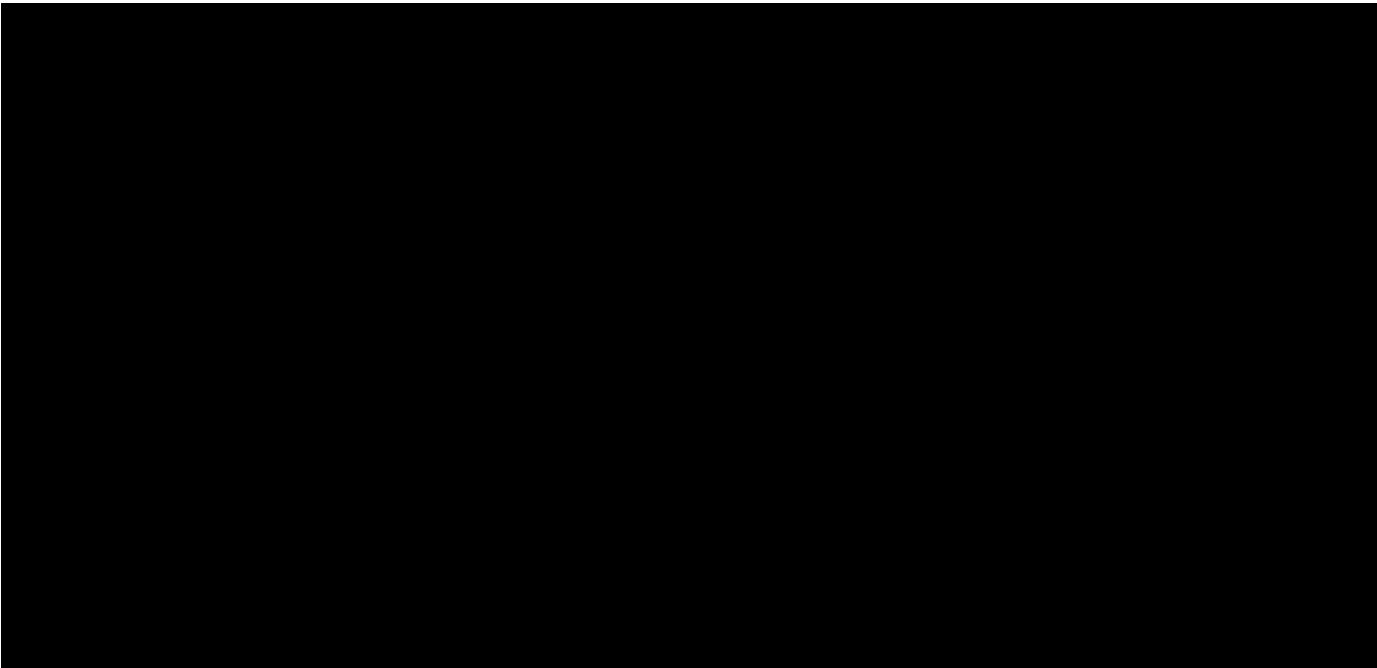


## Congestion Tax Proposal and Scenarios

Cities and states across the country are passing legislation imposing a tax or a fee on TNC's. As research shows, TNC's are a significant contributor to congestion and climate impacts. **In 2017, TNCs reported a total of 20.4 million trips in all Seattle zip codes, up 46% from 2016 trips.** SDOT conservatively forecasts that TNCs will generate 35 million trips in 2019 and 45 million trips in 2020, based on historical growth rates. For comparison, the taxi and for-hire industry comprised approximately 2% of total ridehail trips in Seattle in 2017. The impacts of ridehailing are exacerbated in the Center City area during the AM and PM peak traffic periods. **Between Q4 2016 and Q4 2017, TNC trips beginning or ending in Center City zip codes increased by 32%. TNC trips beginning or ending in Center City zip codes in Q4 of 2017 represent over 50% of all TNC trips in Seattle.**

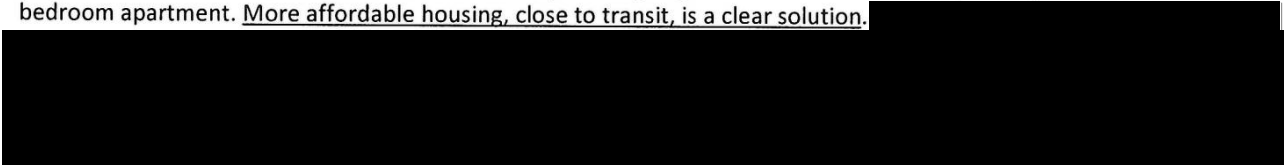
The proposed tax components detailed below are based upon similar tax proposals in New York City, Washington D.C., San Francisco, Chicago, and the Seattle-Tacoma International Airport (\$6 airport access tax). 



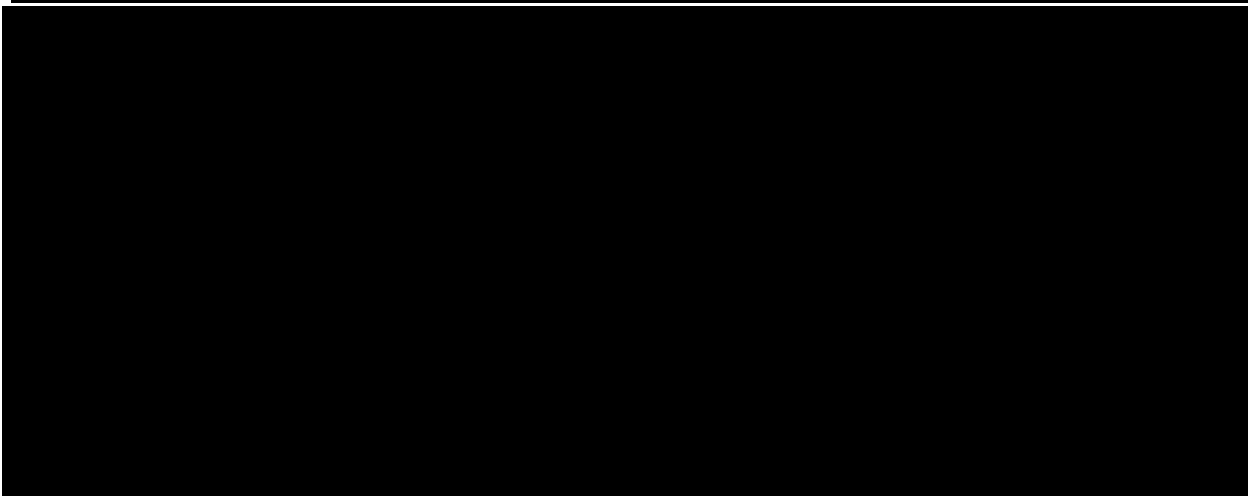
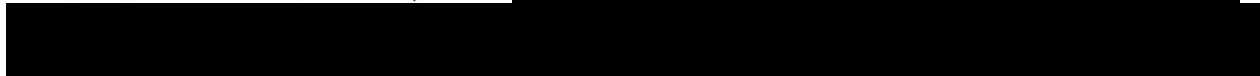


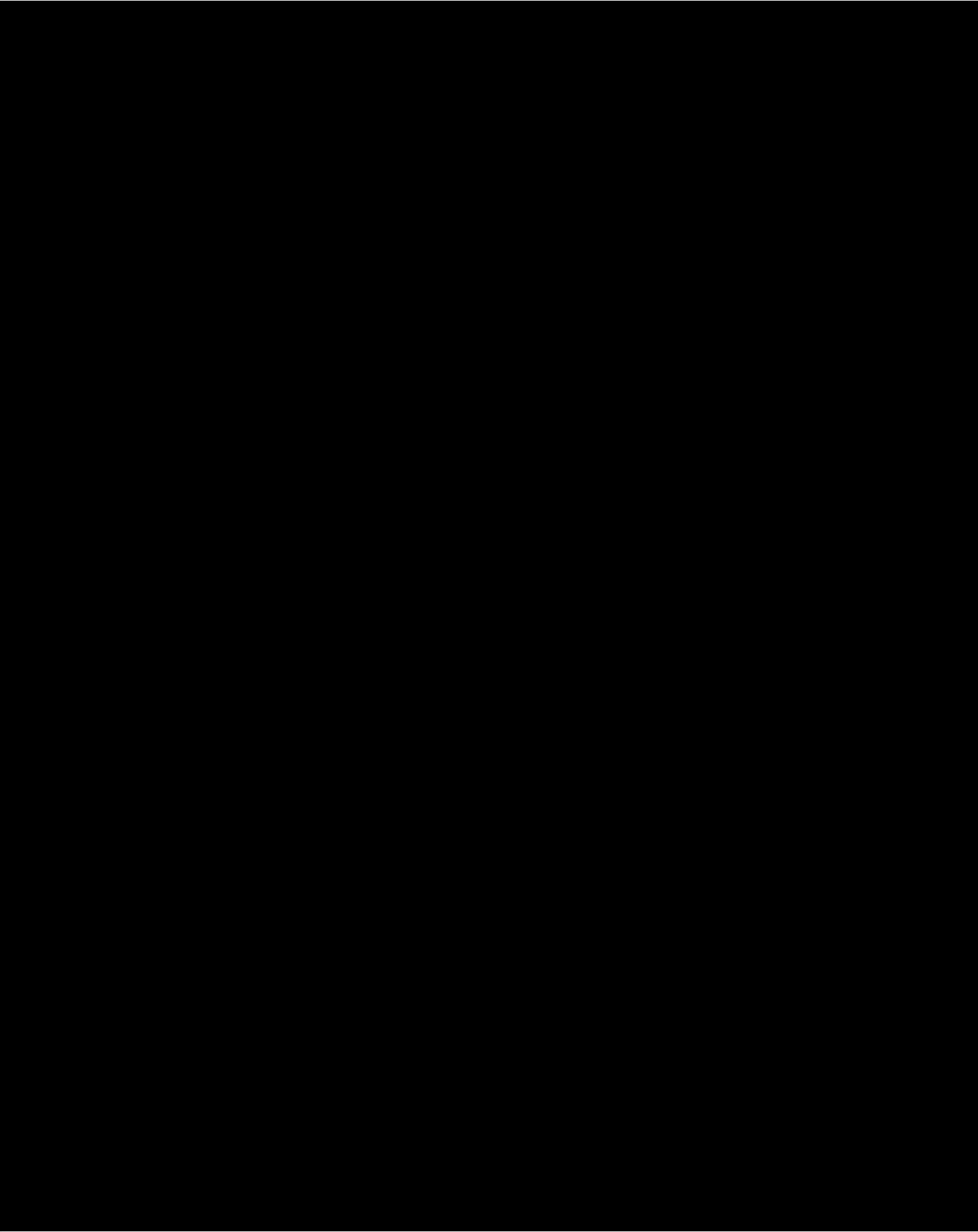
### Draft Proposal for a Spending Plan

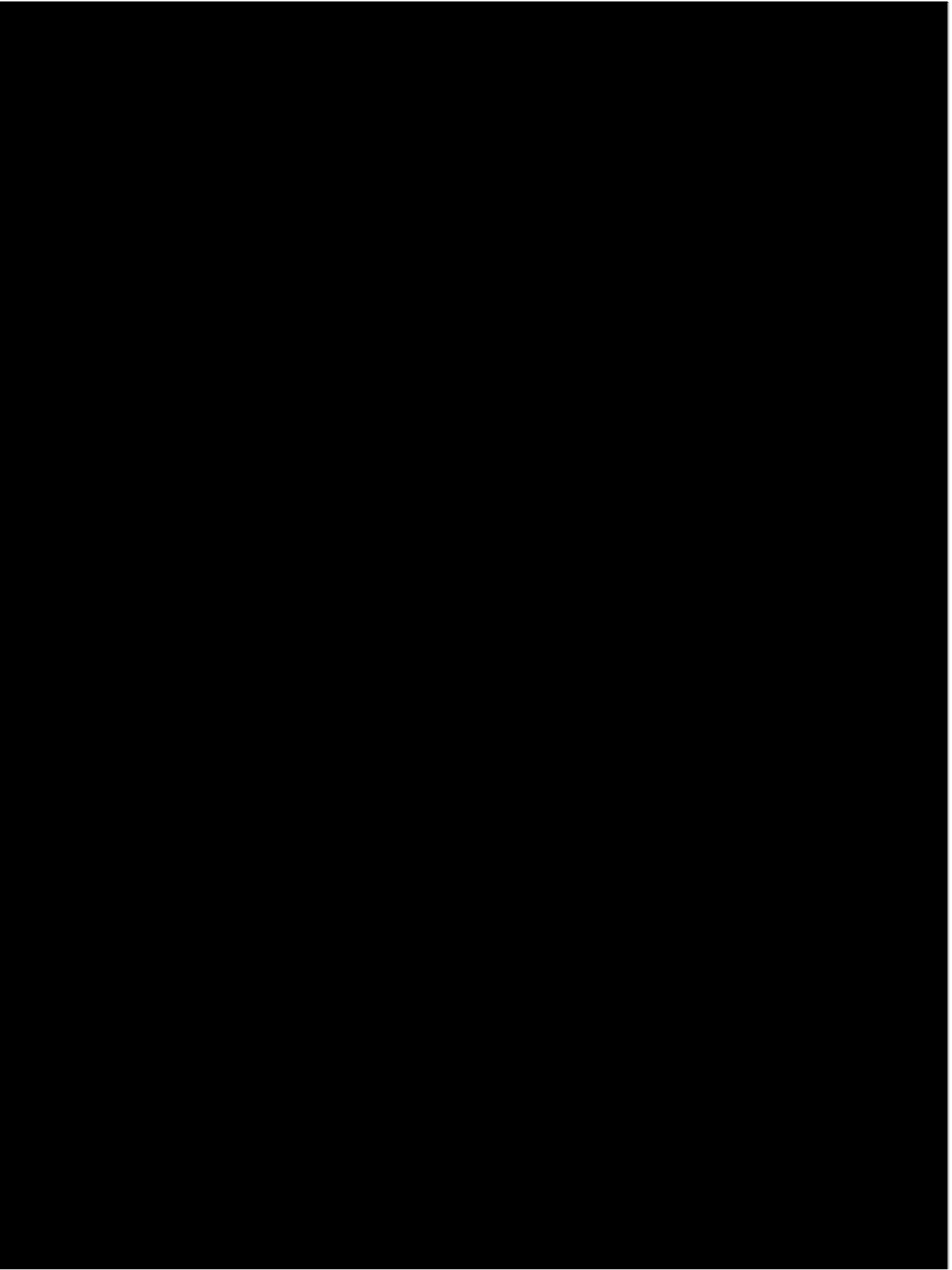
The housing affordability crisis has reached historic levels in the United States and in Seattle amid rising rents, stagnant wages, and an inadequate supply of housing. Fully half of renters face housing cost burdens, devoting more than one-third of their income to rent; one in four face severe cost burdens, handing over more than half of their income to rent (Joint Center for Housing Studies [2015](#)). In Seattle, you are going to need to make at least \$29.21 per hour to afford it a 2 bedroom apartment. More affordable housing, close to transit, is a clear solution.



The average TNC user in the Seattle area tends to be more affluent than the average resident, more likely to have a college degree and 60% are under 35 years old.

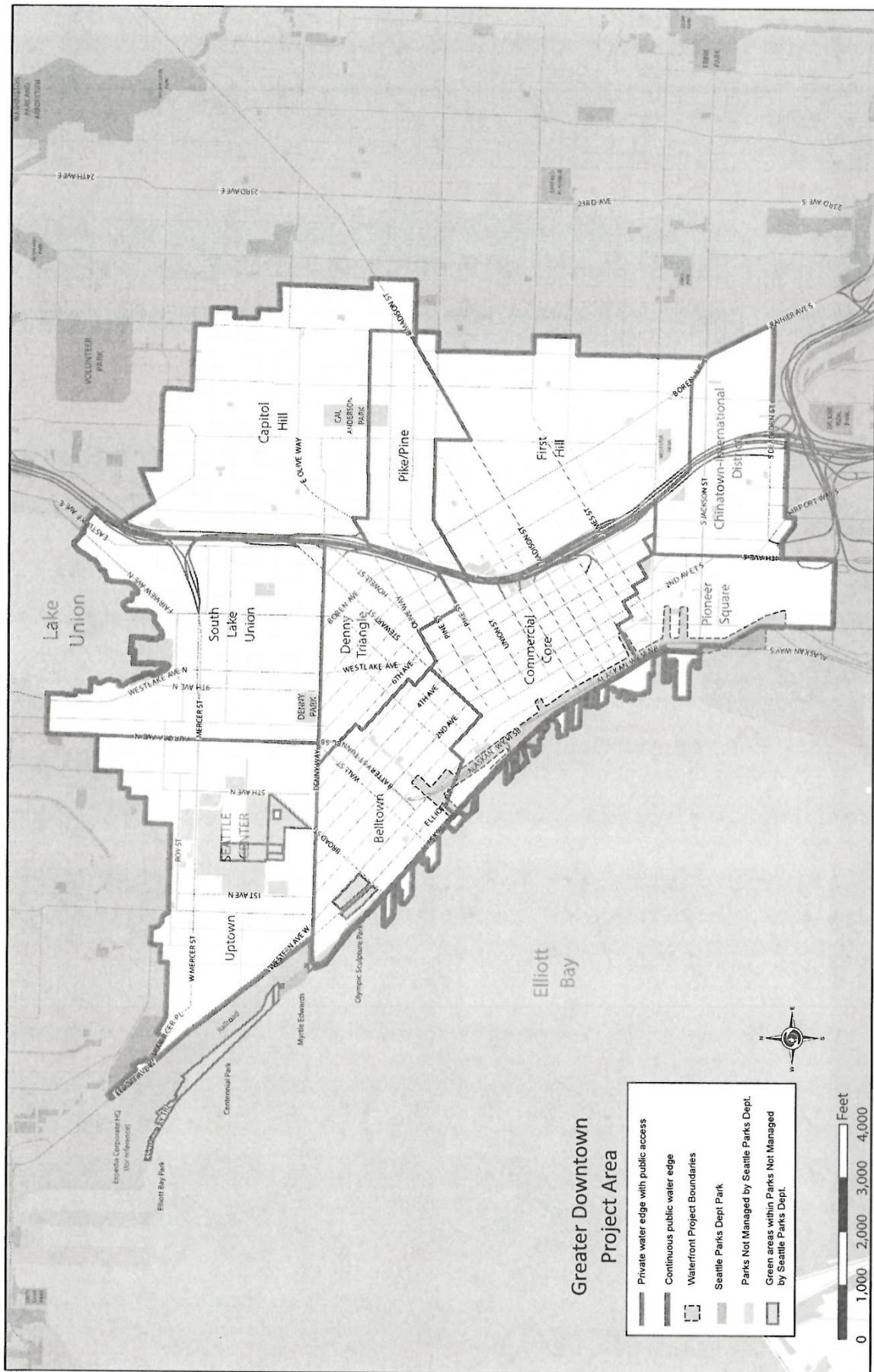






**Appendix: Transportation Network Company City/State Tax & Fee Activity**

City	Fee or Tax	Year Most Recent Action Passed	Estimated Revenue	What the revenue is going toward
Chicago	\$0.67 fee per ride, \$0.72 in 2019	First approved in 2015 at \$0.52, a \$0.15 cent increase approved in Nov 2017	In 2016, \$39M for the City's General Fund. 2017 Revenue expected to be \$72M  \$16M to CTA in 2018, \$30M to CTA in 2019	The original \$0.52 will continue to go to the General Fund and Accessibility Fund for vehicles accessible to wheelchairs, additional increase of \$0.15 to go toward the Chicago Transit Authority
Massachusetts	\$0.20 tax	2016	\$13M in 2017	50/50 Earmarked for transportation projects and to help the taxi industry adapt to new technologies and provide job training
New York City	Tax per ride in Manhattan geofence: \$2.50 on yellow taxis \$2.75 on other for-hire, including TNCs \$0.75 for car pool/shared rides	April 2018 – passed at state level	Could generate up to \$605M per year	Going toward the subway system
Philadelphia	1.4% tax	2016	\$3.6M	\$2.6M for public schools, \$1M to enforcement and regulation of TNCs
San Francisco	3.25 tax to single-use rides; 1.5% tax rate to shared carpool; AV TNC's would be included in the tax	July 31, 2018	\$30M per year	Transportation infrastructure and operations throughout the City; revenue remitted by the San Francisco County Transportation Authority
Washington DC	6% tax on revenue	July 2018	\$23M per year	Revenue will go toward funding the District Metro.  Note: the 6% rate now puts taxis and TNC's at the same tax and fee level



**Irwin, Stacy**

---

**From:** Garman, Kate  
**Sent:** Monday, October 08, 2018 2:41 PM  
**To:** Gilliss, Edie;Blair, Kyla;Thompson, Adrienne;Brinson, Leslie  
**Subject:** LAST CHANCE: TNC Memo Draft  
**Attachments:** TNC Memo for Mayors Book 10-8-18.docx; Center City Map.pdf

All,

Thanks so much for your input on the TNC Memo. I've put everything together in this doc. We've got 20 minutes to give it to Dayo. Let me know if you have any last minute changes!  
Kate



Kate Garman  
Technology Policy Advisor (She/Her/Hers)  
Office of Mayor Jenny A. Durkan | City of Seattle  
M: 206-375-0458 | [kate.garman@seattle.gov](mailto:kate.garman@seattle.gov)  
[Facebook](#) | [Twitter](#) | [Subscribe to Mayor Durkan's E-Newsletter](#)

# Memo

**Date:** 10/8/18

**To:** Mayor Jenny Durkan

**CC:** Shefali Ranganathan, Edie Gilliss

**Written By:** Adrienne Thompson, Leslie Brinson, Kate Garman, Kyla Blair

**Subject:** Transportation Network Companies: Next Steps

---

Mayor Durkan,

Last we briefed you, we gave a summary on work related to a TNC Congestion Tax. [REDACTED]

[REDACTED]

Thus, this memo is organized by the following topic areas:

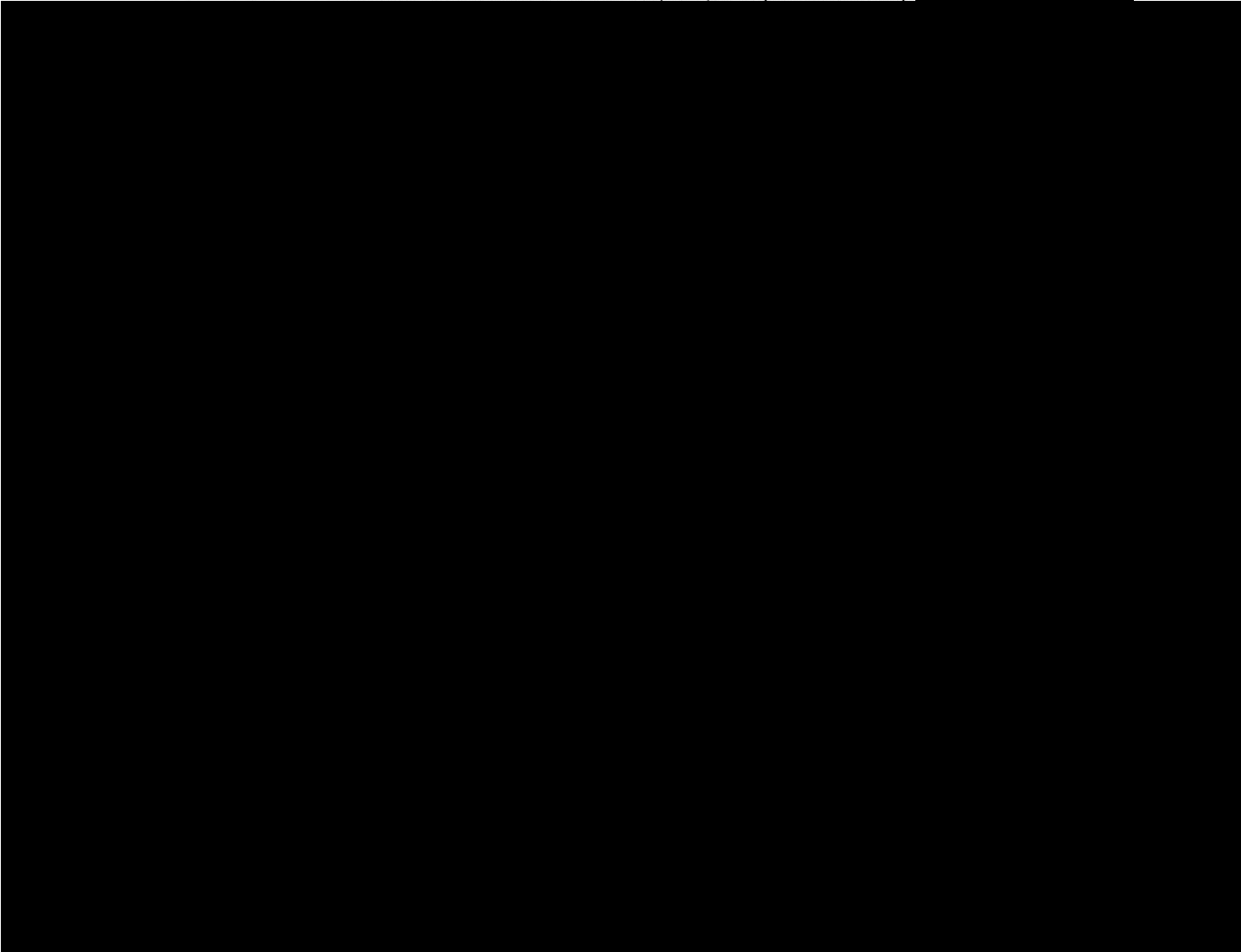
- Worker and Driver Protections
  - Congestion Tax Scenarios
  - Potential Spending Plan
  - Timeline and Key Stakeholders - Civic Engagement
  - Appendix: City/State Recently Implemented Taxes or Fees on TNC's
- [REDACTED]



## Congestion Tax Proposal and Scenarios

Cities and states across the country are passing legislation imposing a tax or a fee on TNC's. As research shows, TNC's are a significant contributor to congestion and climate impacts. **In 2017, TNCs reported a total of 20.4 million trips in all Seattle zip codes, up 46% from 2016 trips.** SDOT conservatively forecasts that TNCs will generate 35 million trips in 2019 and 45 million trips in 2020, based on historical growth rates. For comparison, the taxi and for-hire industry comprised approximately 2% of total ridehail trips in Seattle in 2017. The impacts of ridehailing are exacerbated in the Center City area during the AM and PM peak traffic periods. **Between Q4 2016 and Q4 2017, TNC trips beginning or ending in Center City zip codes increased by 32%. TNC trips beginning or ending in Center City zip codes in Q4 of 2017 represent over 50% of all TNC trips in Seattle.**

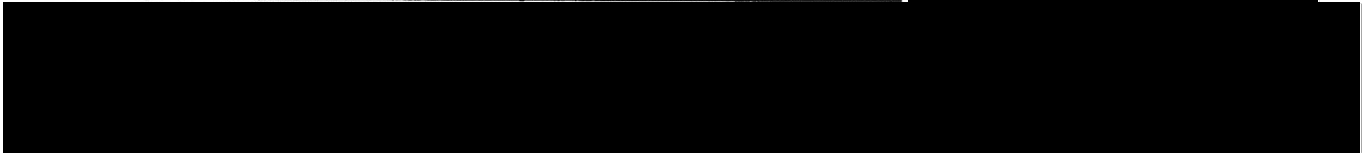
The proposed tax components detailed below are based upon similar tax proposals in New York City, Washington D.C., San Francisco, Chicago, and the Seattle-Tacoma International Airport (\$6 airport access tax).



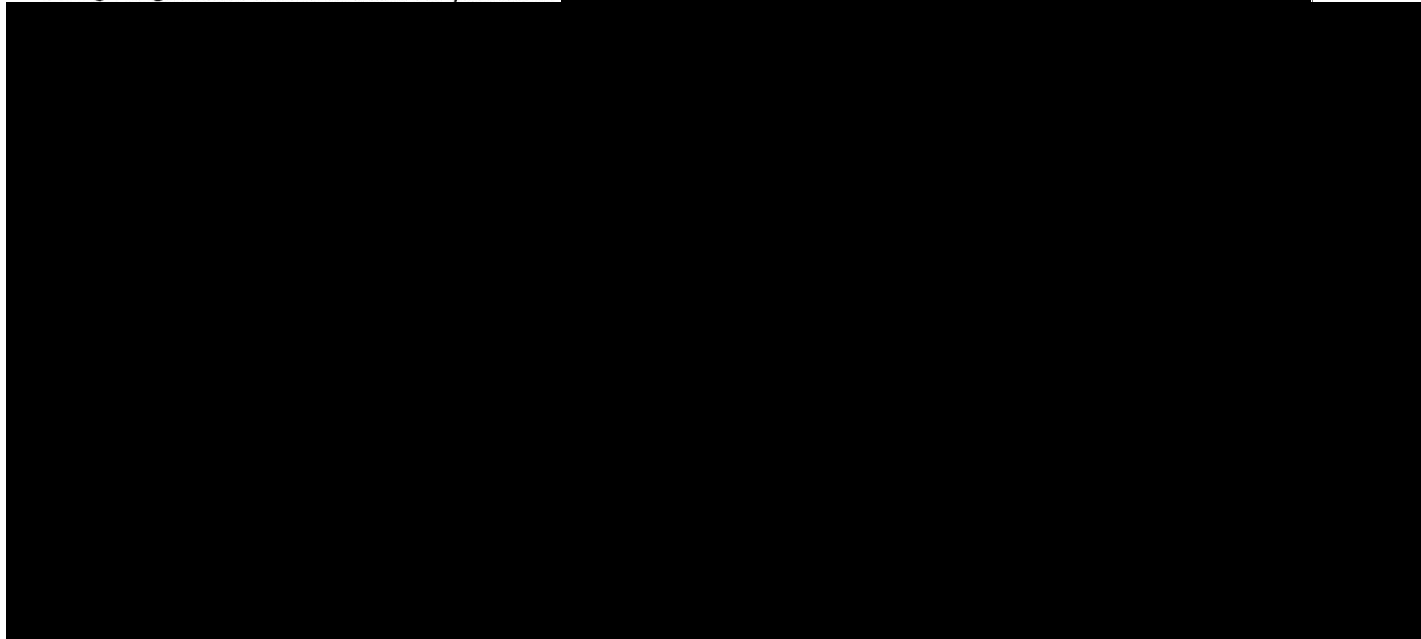


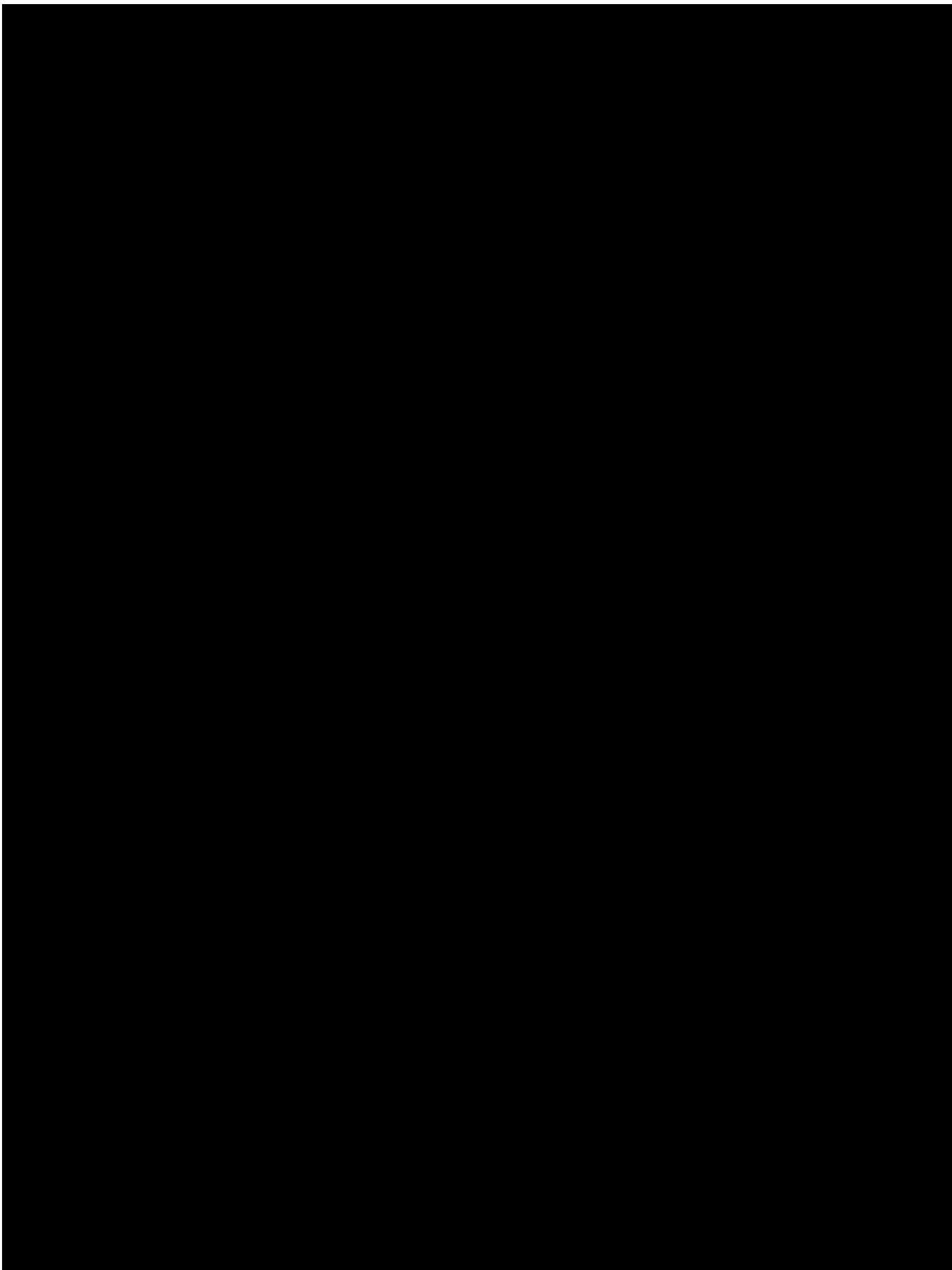
### Draft Proposal for a Spending Plan

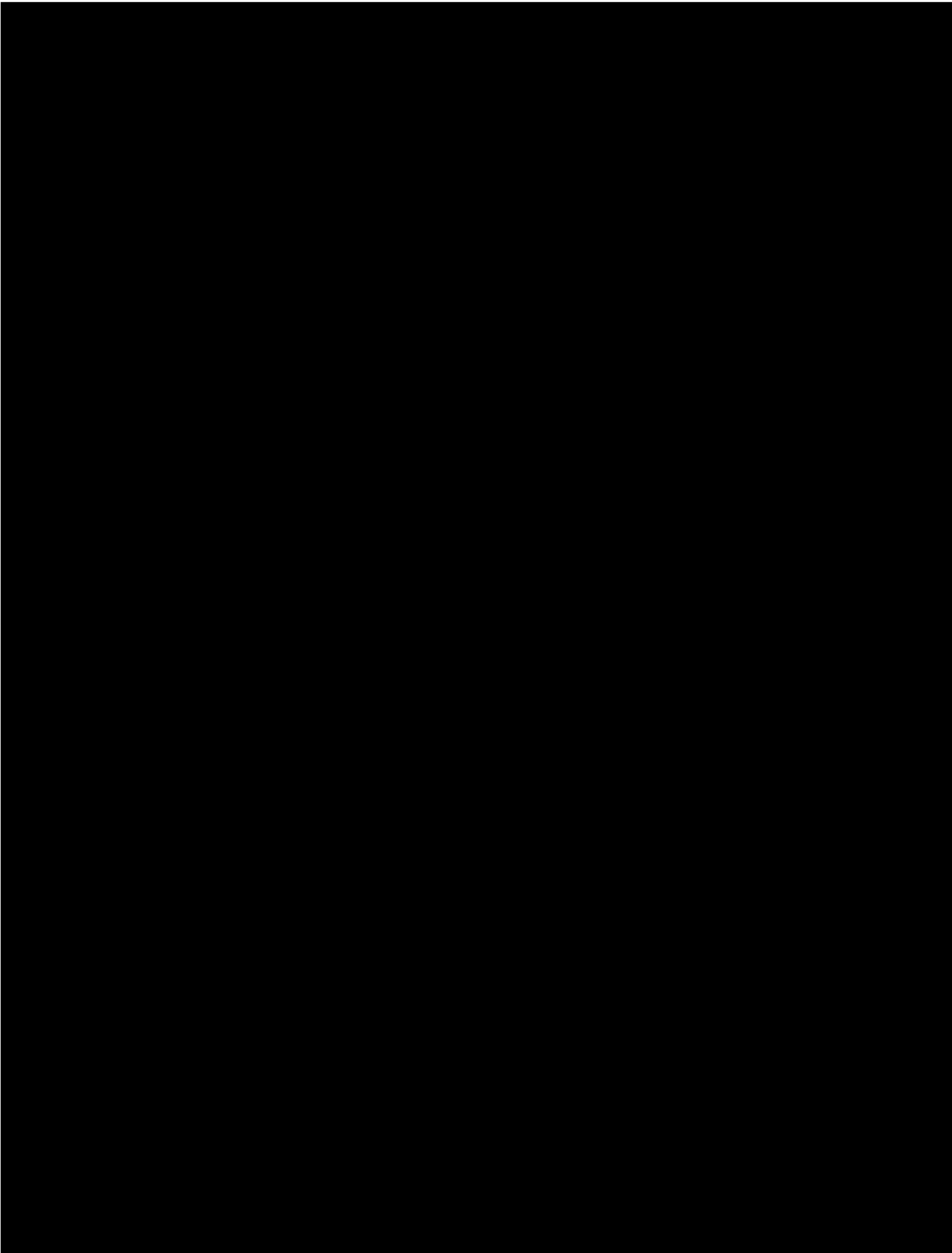
The housing affordability crisis has reached historic levels in the United States and in Seattle amid rising rents, stagnant wages, and an inadequate supply of housing. Fully half of renters face housing cost burdens, devoting more than one-third of their income to rent; one in four face severe cost burdens, handing over more than half of their income to rent (Joint Center for Housing Studies [2015](#)). In Seattle, you are going to need to make at least \$29.21 per hour to afford it a 2 bedroom apartment. More affordable housing, close to transit, is a clear solution.



The average TNC user in the Seattle area tends to be more affluent than the average resident, more likely to have a college degree and 60% are under 35 years old.

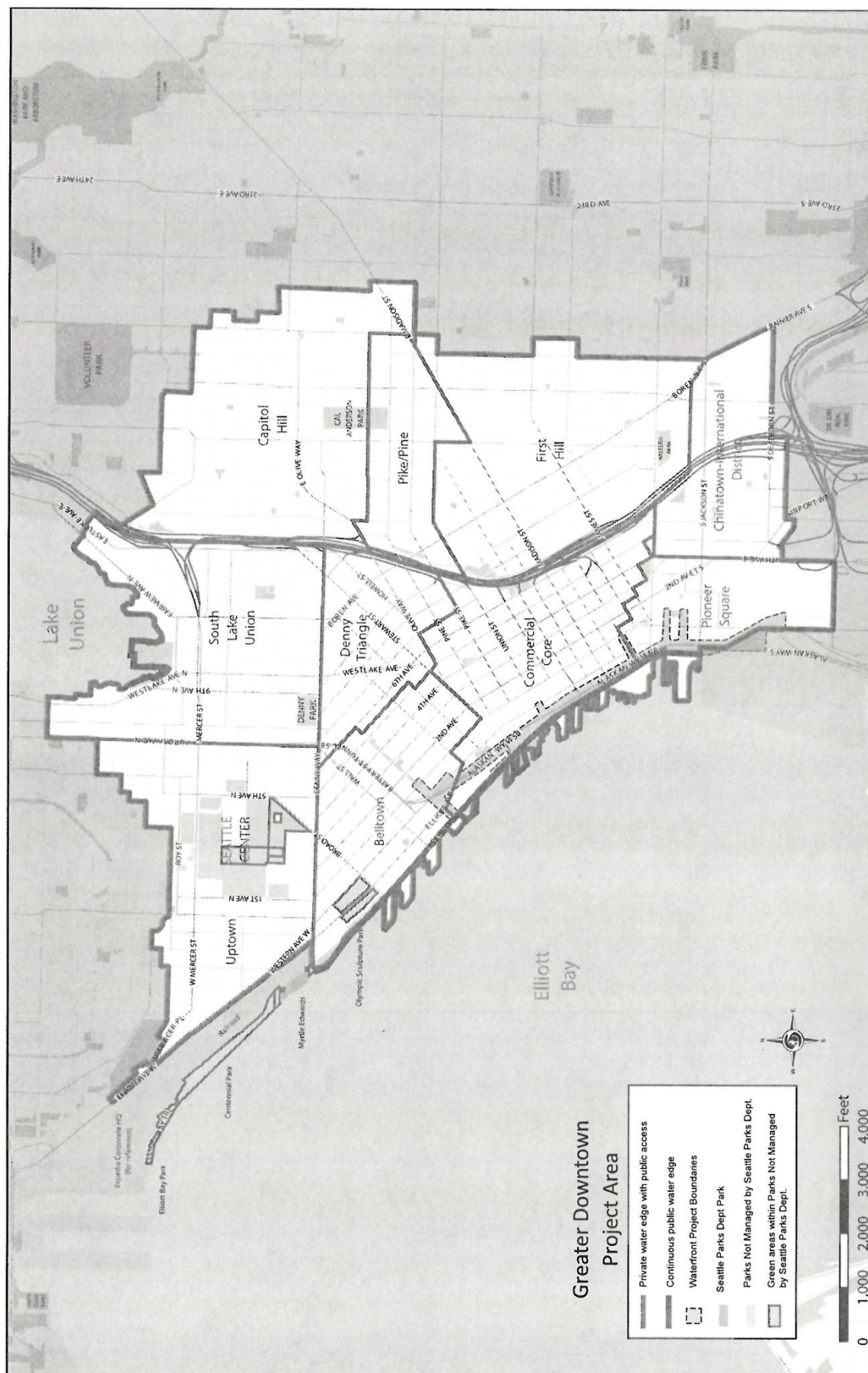






**Appendix: Transportation Network Company City/State Tax & Fee Activity**

City	Fee or Tax	Year Most Recent Action Passed	Estimated Revenue	What the revenue is going toward
Chicago	\$0.67 fee per ride, \$0.72 in 2019	First approved in 2015 at \$0.52, a \$0.15 cent increase approved in Nov 2017	In 2016, \$39M for the City's General Fund. 2017 Revenue expected to be \$72M  \$16M to CTA in 2018, \$30M to CTA in 2019	The original \$0.52 will continue to go to the General Fund and Accessibility Fund for vehicles accessible to wheelchairs, additional increase of \$0.15 to go toward the Chicago Transit Authority
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## Irwin, Stacy

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**From:** Garman, Kate  
**Sent:** Thursday, October 04, 2018 11:46 AM  
**To:** Rolph-Tate, Caylyn; Blair, Kyla  
**Subject:** FW: Latest draft: proposal  
**Attachments:** REVISED DRAFT Ridehail Management Tax\_08082018.docx

---

**From:** Rula, Kelly  
**Sent:** Monday, August 13, 2018 9:29 AM  
**To:** Garman, Kate <Kate.Garman2@seattle.gov>; Corey, Evan <Evan.Corey@seattle.gov>  
**Subject:** Latest draft: proposal

Very minor edits. I left in a couple track changes and comments that I addressed. Open question is Matt Eng's clarification question which I think we can leave for now but need to make a determination about at some point soon.

Talk soon. I have time to meet today if needed Kate.

Thanks!  
Kelly



**Kelly Rula**  
New Mobility, Climate, and Urban Freight, Transit & Mobility  
City of Seattle [Department of Transportation](#)  
M: 206.549.7579 | [kelly.rula@seattle.gov](mailto:kelly.rula@seattle.gov)  
[Facebook](#) | [Twitter](#)

DRAFT PROPOSAL:  
Ridehail Congestion Management Tax  
August 8, 2018

INTERNAL DRAFT

## Background

Transportation network companies (TNCs) enable people to use smartphone or web-based applications to find or source, book, and pay for ridehail services like Uber and Lyft. Ridehailing, including TNC, taxi, and fixed-rate for-hire services are a convenient and reliable transportation option. When combined with transit and other travel options, these ridehail services provide a viable alternative to vehicle ownership.

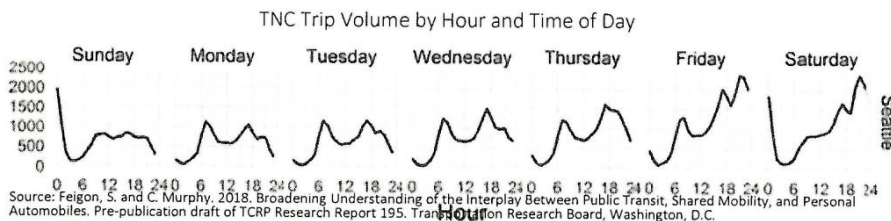
Multiple studies across the United States suggest ridehailing, particularly TNCs, compete with public transit, walking, and biking and add mileage to roads.<sup>1</sup> The numbers are telling. In 2017, TNCs reported a total of 20.4 million trips in all Seattle zip codes, up 46% from 2016 trips. We conservatively forecast that TNCs will generate 35 million trips in 2019 and 45 million trips in 2020, based on deflated historical growth rates. For comparison, the taxi and for-hire industry comprised approximately 2% of total ridehail trips in Seattle in 2017.



Note: The VMT figures above are a conservative approximation and do not account for miles traveled while searching for passengers.

Rapid growth of these mobility services has made it difficult for Seattle to keep abreast of the needed infrastructure changes and strategic mitigations to help adapt the public right-of-way (ROW) to manage this phenomenon.

Increased trips and miles traveled further contribute to Seattle's transportation sector carbon emissions (currently 65% of total Seattle carbon emissions). Unproductive circling (whereby TNC drivers continue to drive while they wait to be matched with a rider) is yet another negative byproduct of the TNCs. A recent joint SDOT-University of Washington analysis of vehicle circling patterns in the Center City (greater downtown including South Lake Union, Capitol Hill, and



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<sup>1</sup> Schaller, Bruce, "The New Automobility: Lyft, Uber, and the Future of American Cities," <http://www.schallerconsult.com/rideservices/automobility.pdf>, July 25, 2018.

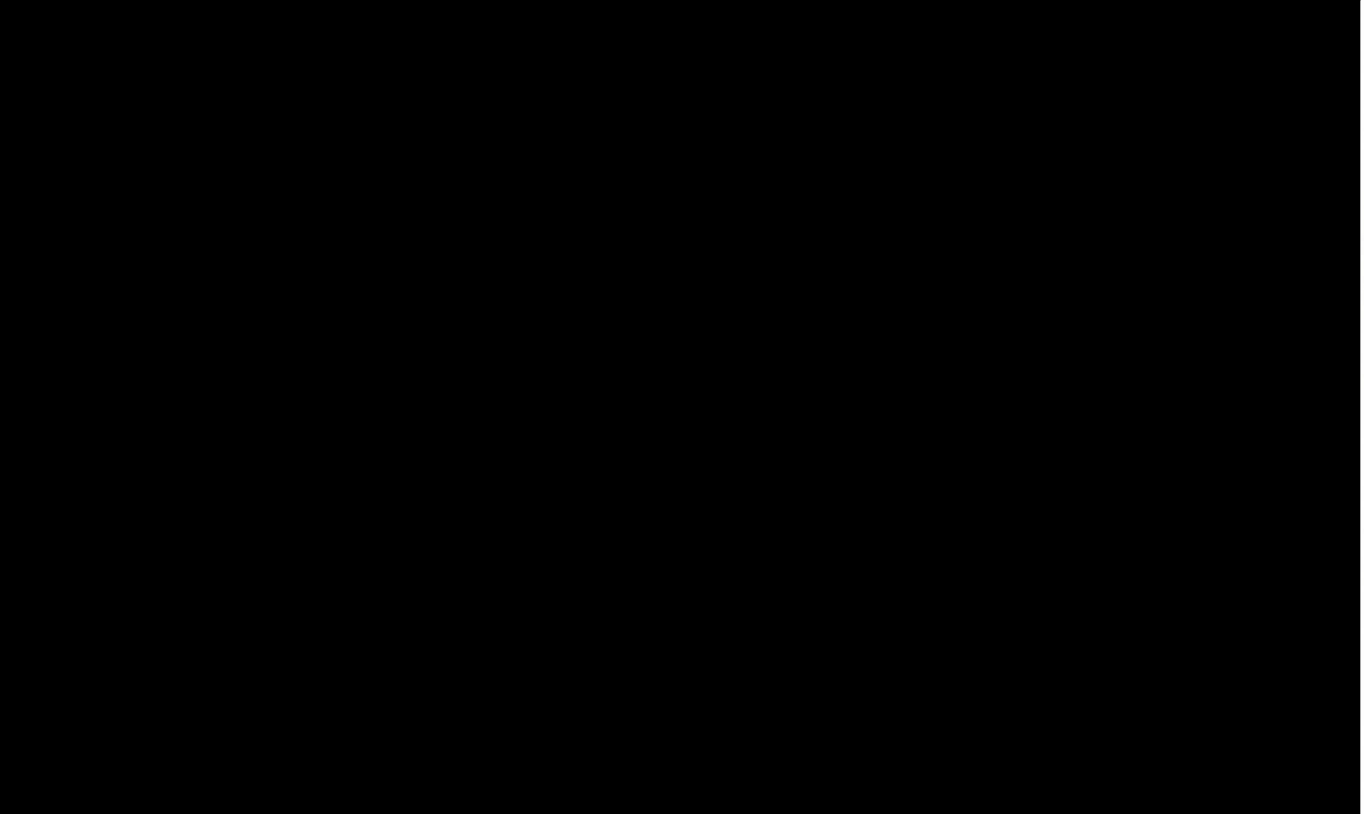
Uptown) suggests ridehail vehicles represent roughly 10% of all circling traffic on downtown streets. Total TNC-related CO2 emissions grew 65% year over year between 2016 Q2 and 2017 Q2 (not including circling).

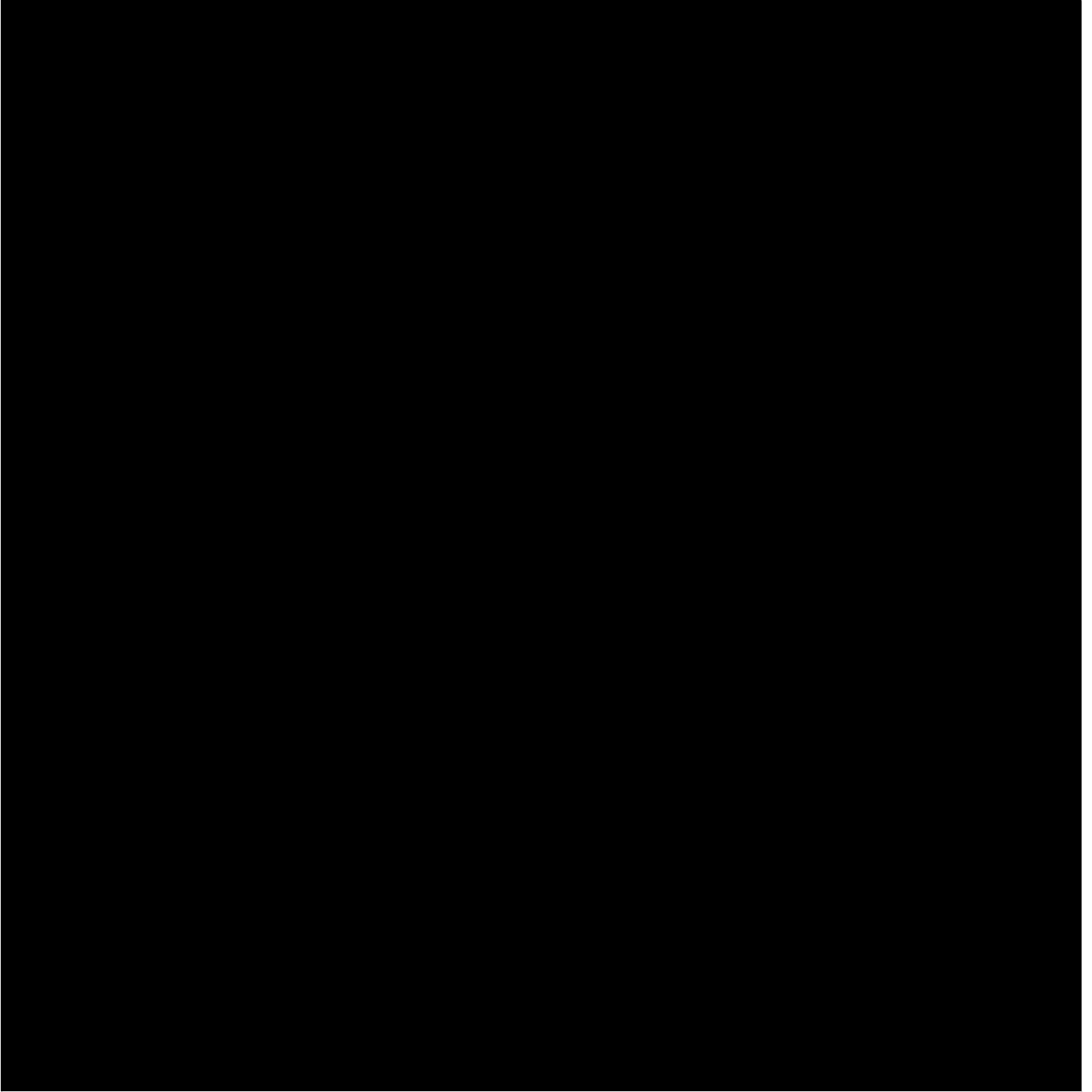
The impacts of ridehailing are exacerbated in the Center City area during the AM and PM peak traffic periods. **Between Q4 2016 and Q4 2017, TNC trips beginning or ending in Center City zip codes increased by 32%. TNC trips beginning or ending in Center City zip codes in Q4 of 2017 represent over 50% of all TNC trips in Seattle.** Recent research conducted by the Shared-Use Mobility Center (above) confirms that TNC trips in Seattle peak in the AM and PM commute periods.

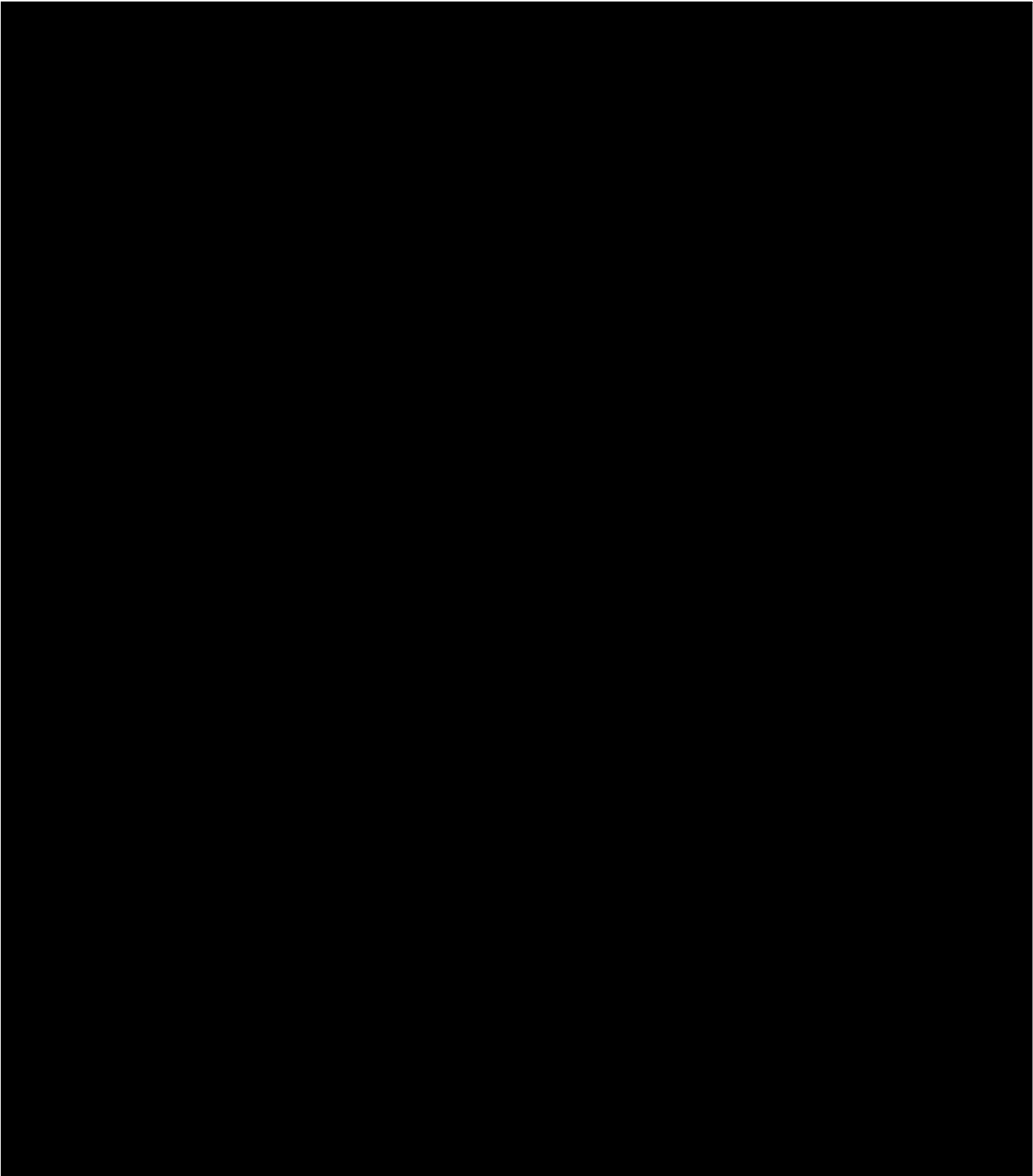
As Seattle's population and job base continues to grow and congestion and construction related impacts of the Period of Maximum Constraint worsen, SDOT and the City of Seattle seek to utilize price signals to help manage the impacts of ridehailing services, fund a variety of projects to support a robust, competitive, and equitable transit network, and meet the City's climate goals.

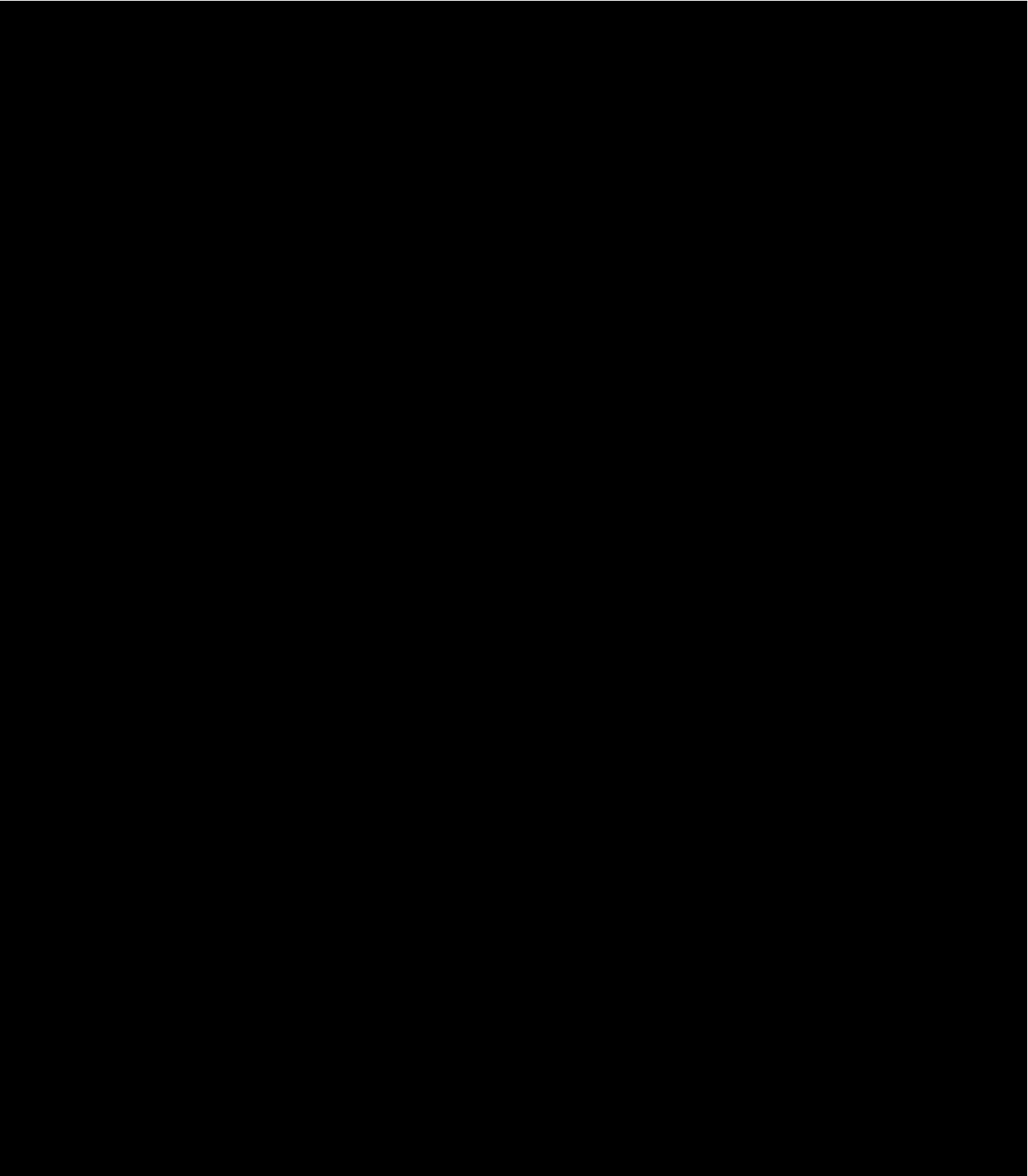
#### Managing the Transportation and Climate-related Impacts of Growth and Congestion

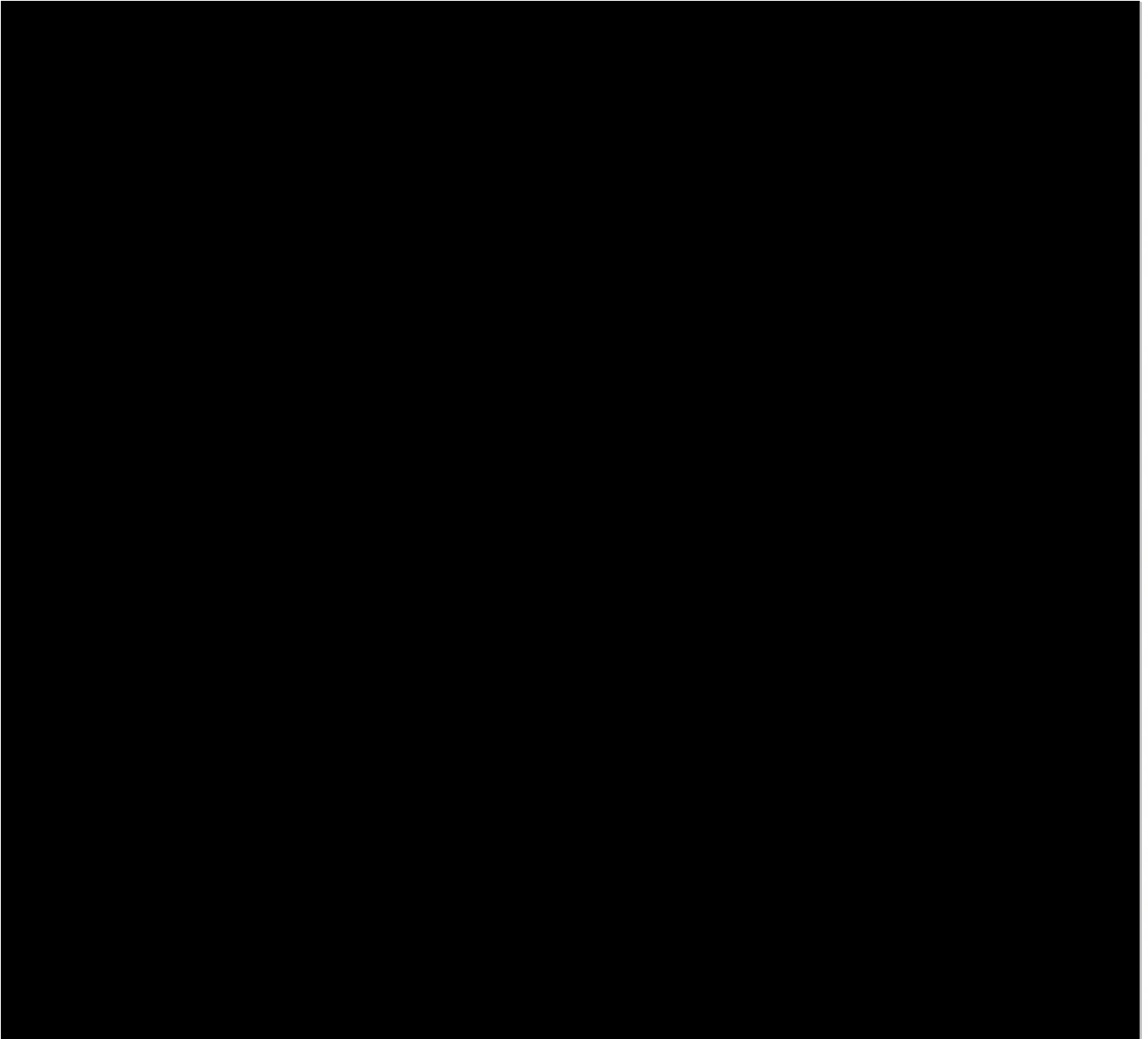
Seattle Department of Transportation (SDOT) does not currently regulate ridehailing to manage congestion, right-of-way wear and tear, passenger load and unload areas, or climate impacts. The Department of Finance and Administrative Services (FAS) currently imposes two regulatory fees on every TNC trip: a 14-cent fee to cover the costs of enforcement and regulation of TNC licensing, as well as a 10-cent fee to support the Wheelchair Accessible Services Fund.

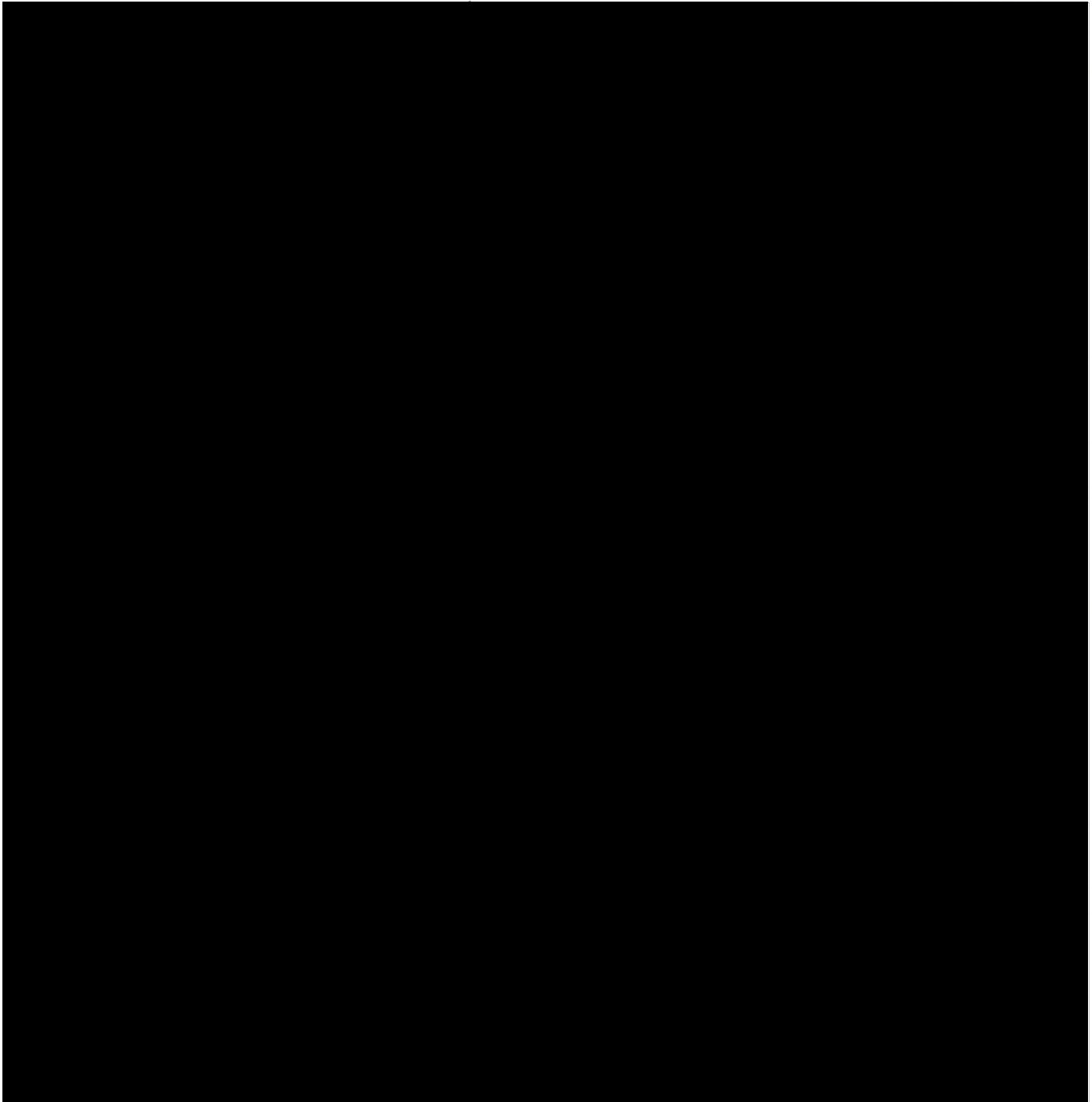


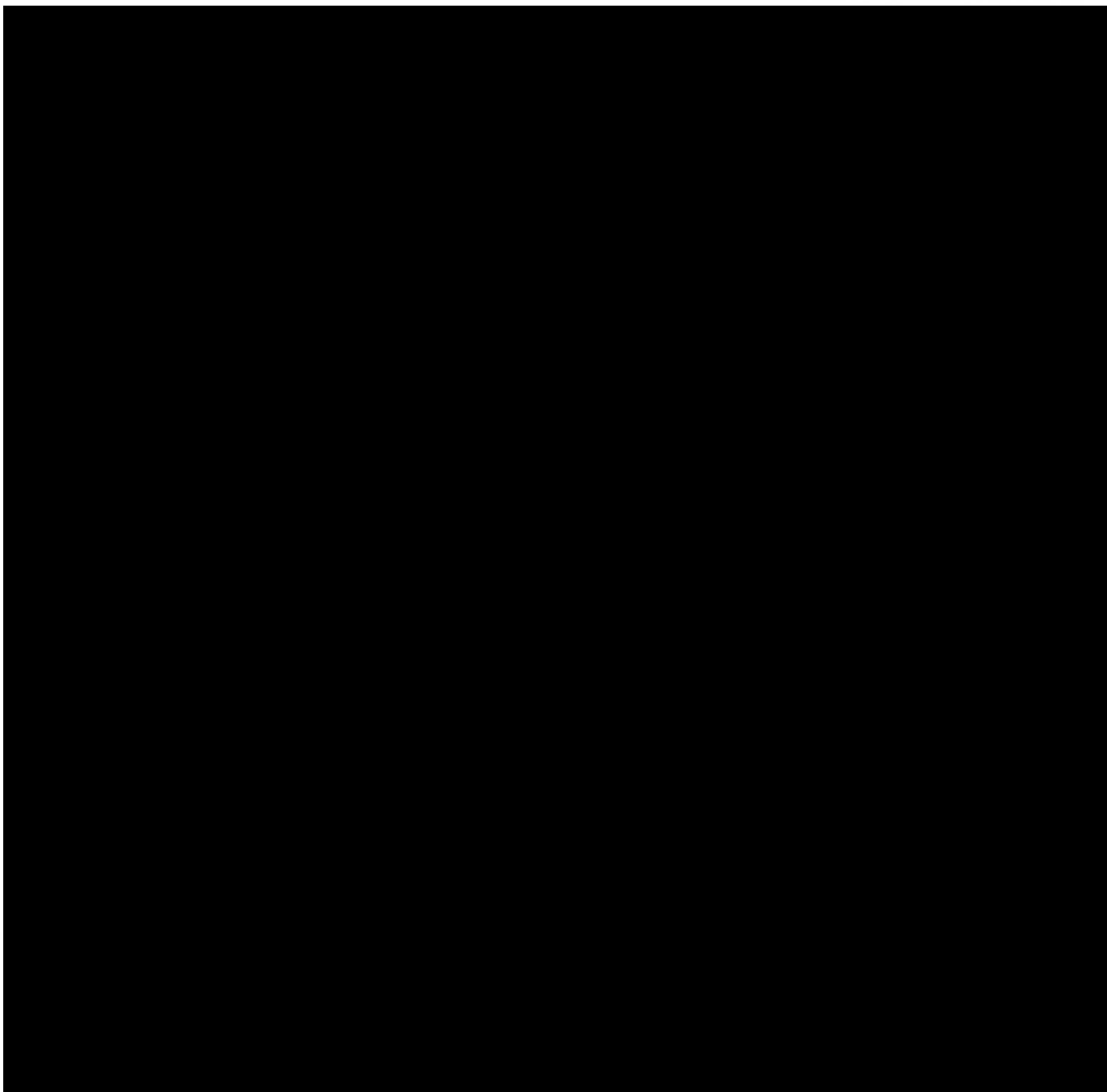


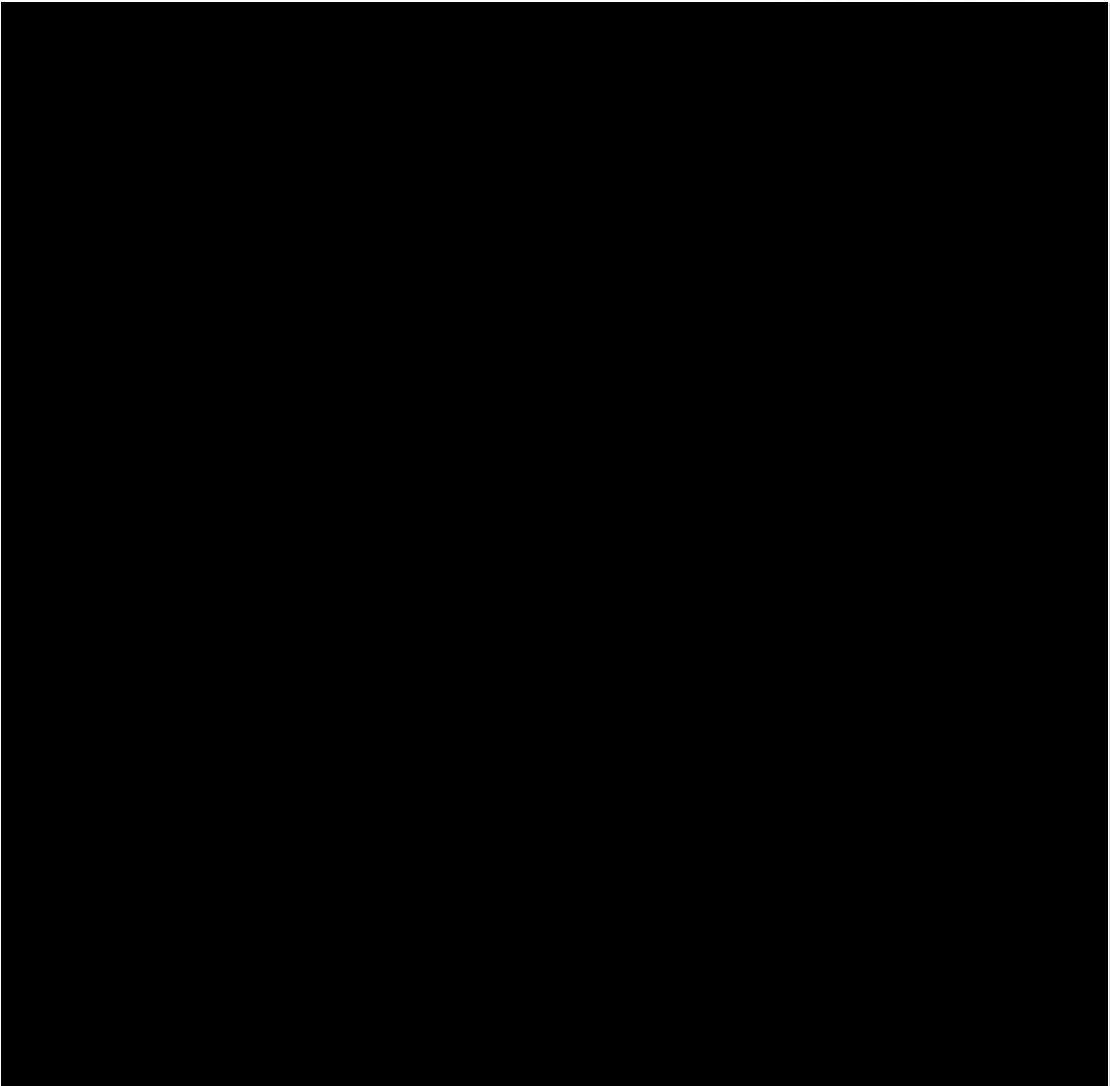


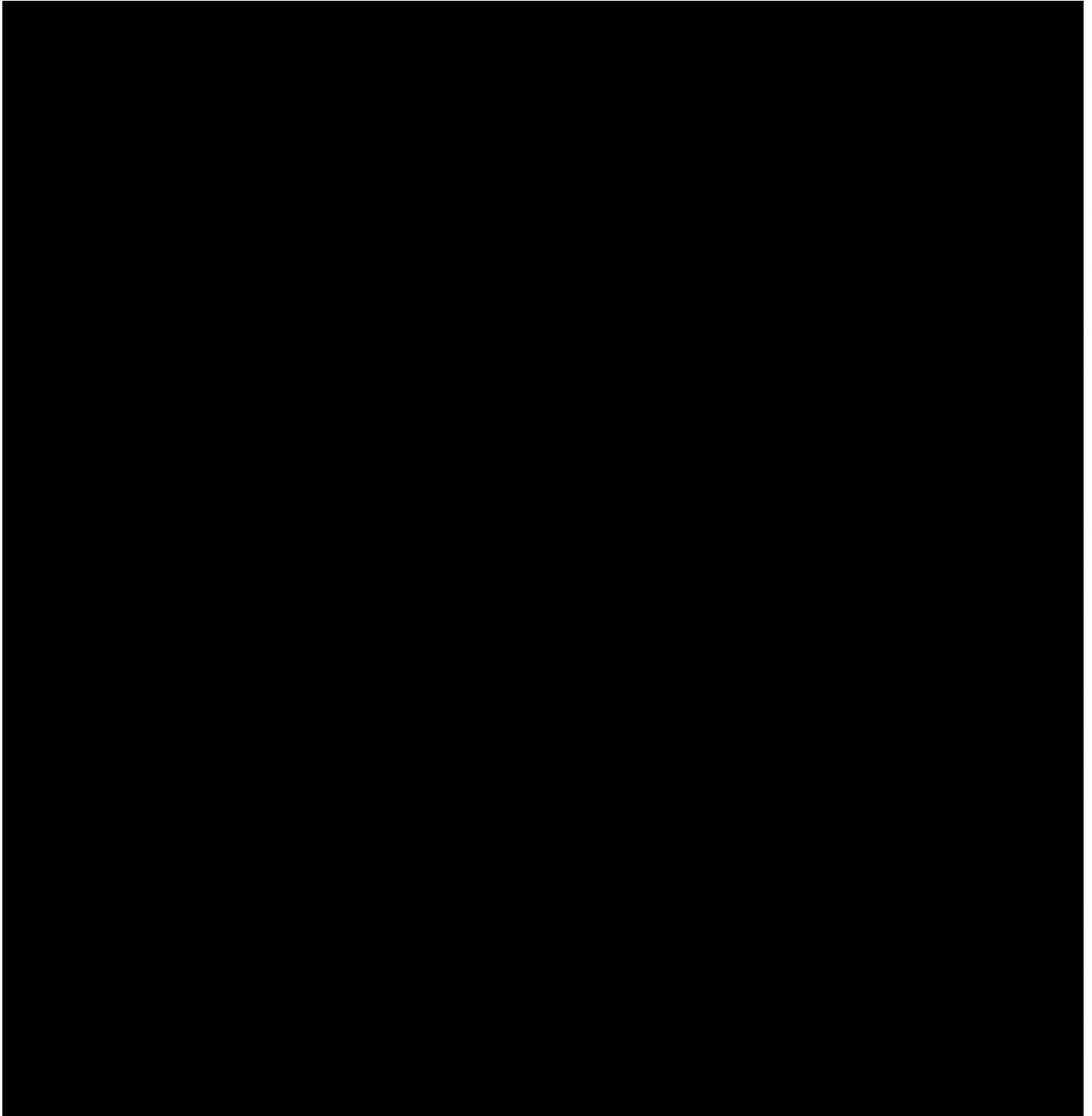


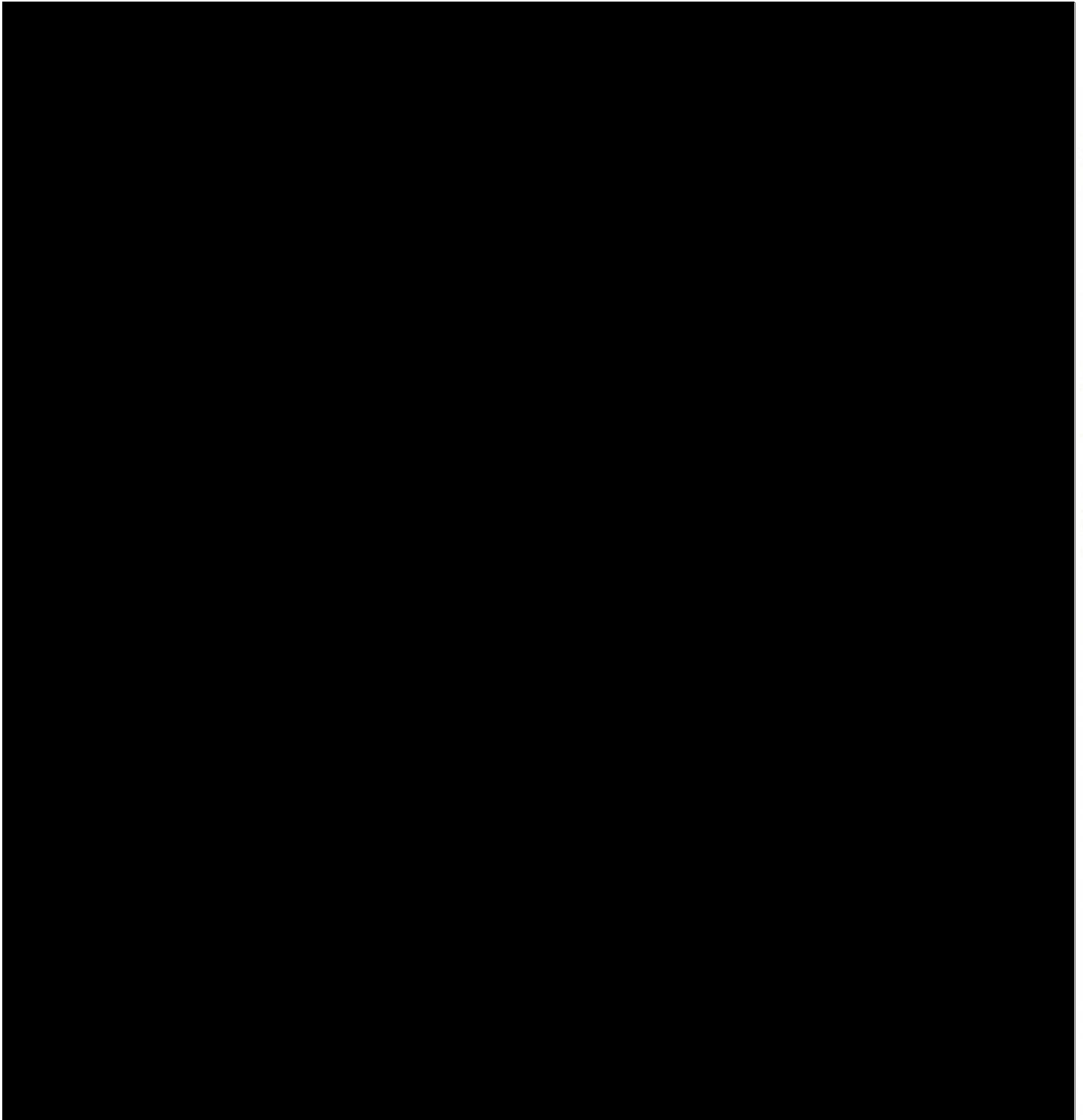


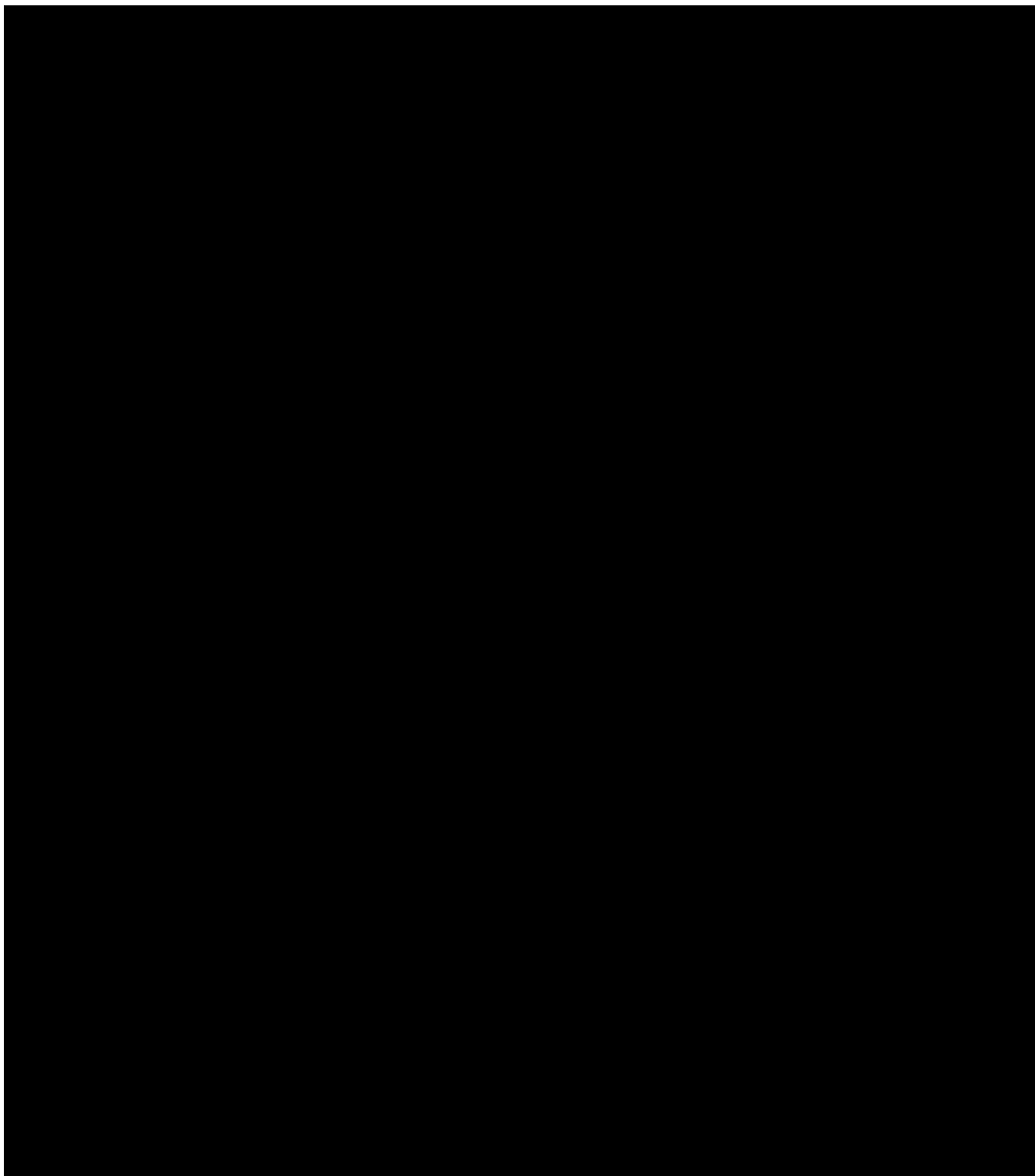


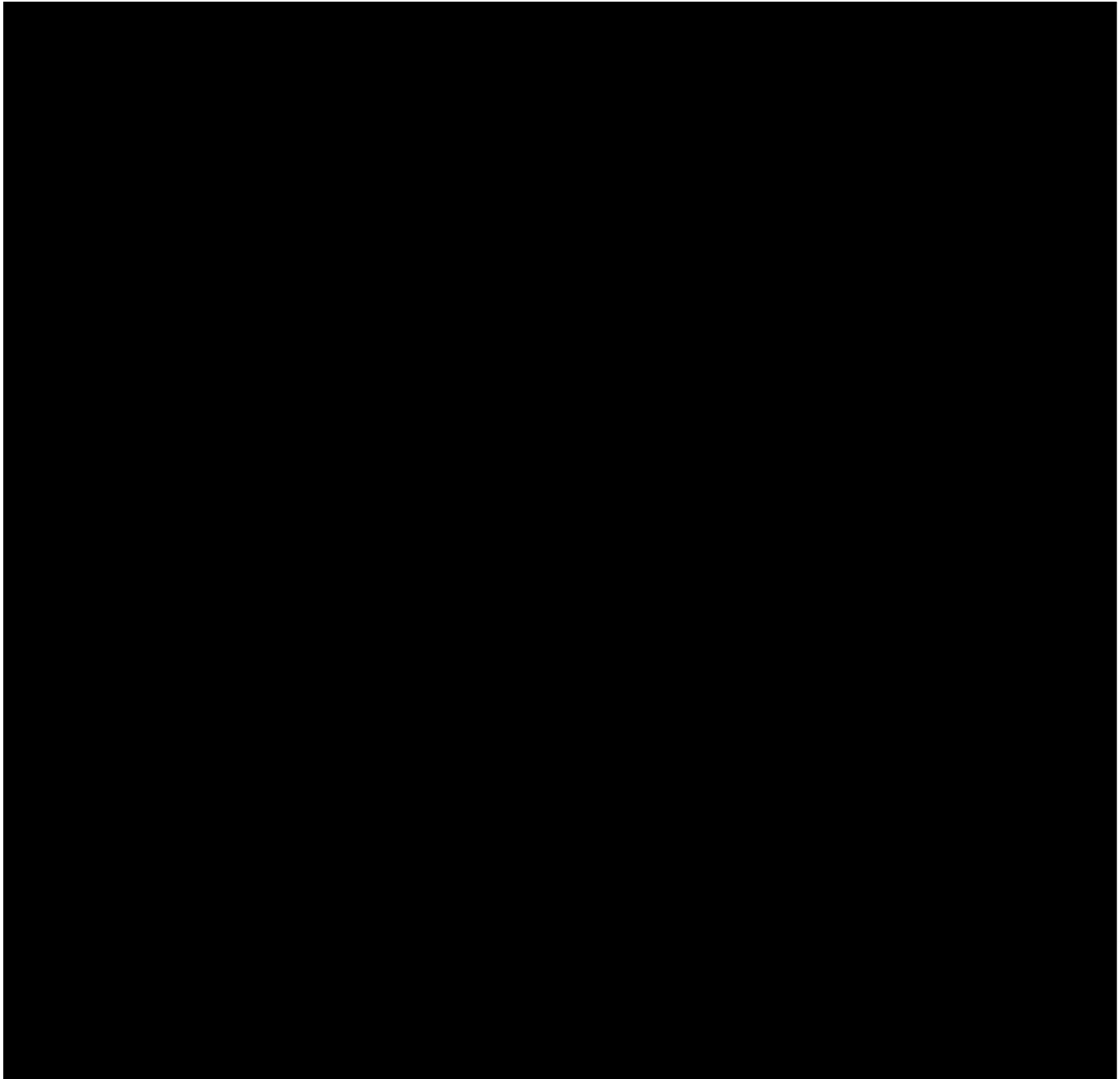












## Irwin, Stacy

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**From:** Garman, Kate  
**Sent:** Monday, October 01, 2018 10:44 AM  
**To:** Thompson, Adrienne  
**Subject:** FW: Some thoughts on wage floors  
**Attachments:** Wage floors for TNC drivers 9-28-2018.docx

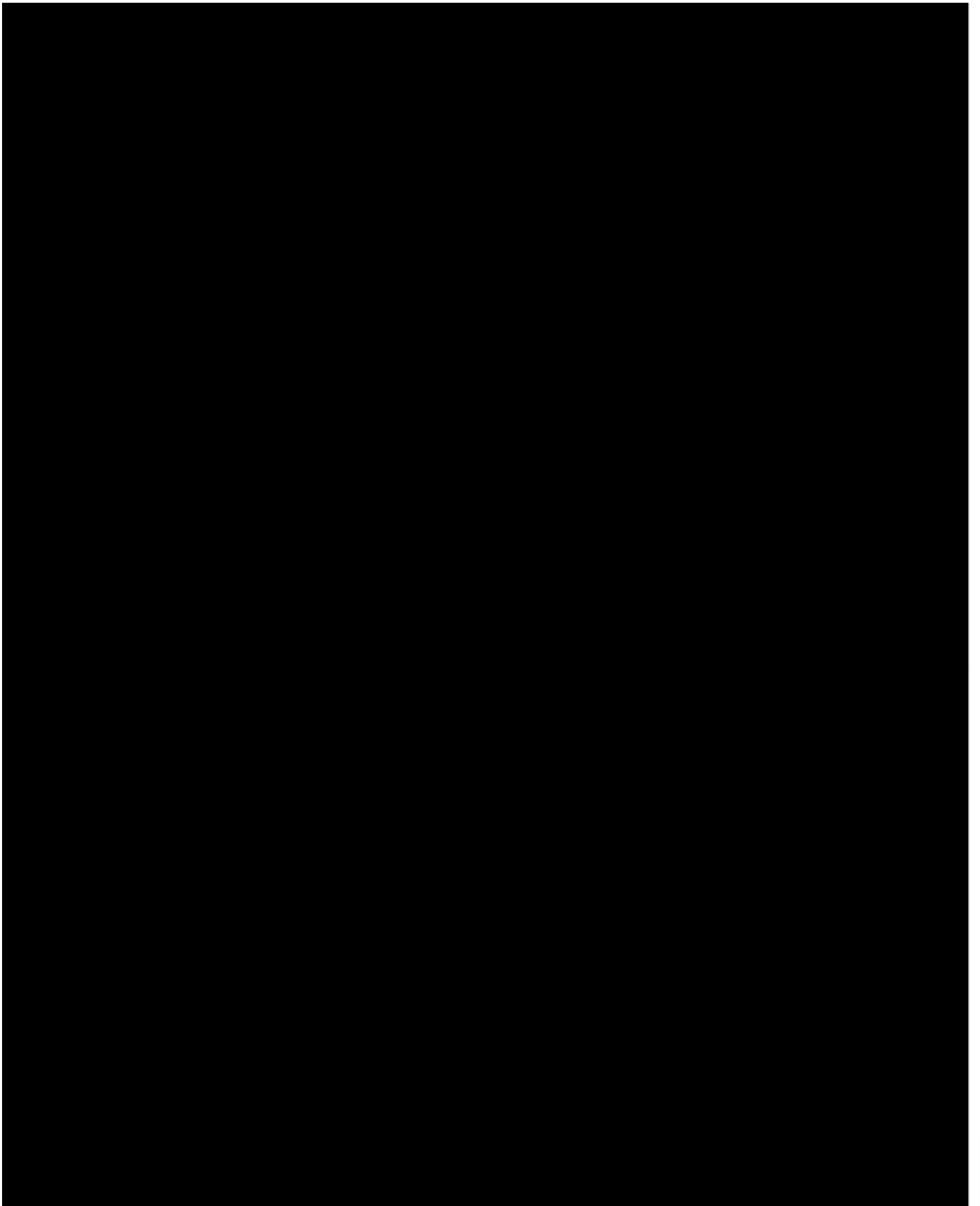
Good stuff from George.

---

**From:** Emerson, George  
**Sent:** Friday, September 28, 2018 2:14 PM  
**To:** Garman, Kate <Kate.Garman2@seattle.gov>  
**Subject:** Some thoughts on wage floors



George Emerson  
Economist, City Budget Office  
Mayor Jenny A. Durkan | City of Seattle  
PO Box 94747, Seattle, WA 98124-4747  
O: 206.733.9110 | [george.emerson@seattle.gov](mailto:george.emerson@seattle.gov)



## Irwin, Stacy

---

**From:** Rolph-Tate, Caylyn  
**Sent:** Monday, October 01, 2018 10:30 AM  
**To:** Blair, Kyla; Garman, Kate  
**Subject:** RE: TNC Fees and Taxes Passed in US  
**Attachments:** TNC Research Memo.docx

Kate & Kyla-

[REDACTED]

Let me know if there's any specific info you'd like me to flush out more.

---

**From:** Blair, Kyla  
**Sent:** Thursday, September 27, 2018 4:26 AM  
**To:** Garman, Kate <Kate.Garman2@seattle.gov>; Rolph-Tate, Caylyn <Caylyn.Rolph-Tate@seattle.gov>  
**Subject:** Re: TNC Fees and Taxes Passed in US

Thanks, Kate!

Caylyn is on point from our team on this and will follow up with any questions she may have. We'll also get some info together on external by the end of the week or early next.

---

**From:** Garman, Kate  
**Sent:** Wednesday, September 26, 2018 3:26:45 PM  
**To:** Blair, Kyla; Rolph-Tate, Caylyn  
**Subject:** TNC Fees and Taxes Passed in US

Kyla,

[REDACTED]. Hope  
this helps!  
Kate



Kate Garman  
Technology Policy Advisor (She/Her/Hers)  
Office of Mayor Jenny A. Durkan | City of Seattle  
M: 206-375-0458 | [kate.garman@seattle.gov](mailto:kate.garman@seattle.gov)  
[Facebook](#) | [Twitter](#) | [Subscribe to Mayor Durkan's E-Newsletter](#)



## Memo

**Date:** September 28, 2018  
**To:** Kyla Blair; Kate Garman  
**From:** Caylyn Rolph-Tate  
**Subject:** TNC Research

---

### Objective

The information provided in this memo seeks to provide information to answer the following questions:

1. What cities and states have implemented fees or taxes on TNC's and when were they implemented?
2. Who in each state and/or city was supportive or opposed to implementing fees on TNC's?
3. What messaging was found to be effective and ineffective?
4. Who are the key stakeholders in the City of Seattle on this issue?

### Question 1

The following states have implemented some type of fee or tax on TNC trips and/or trip fares:

1. **Alabama:** taxed at 1% of total fare
2. **California:** 33% of total TNC revenue
3. **Connecticut:** \$0.25 per trip flat fee
4. **Hawaii:** taxed at 4% of total fare
5. **New Jersey:** \$0.50 per ride to go in to effect on October 1, 2018
6. **Massachusetts:** \$0.20 per trip fee that is intended to be paid by the TNC company rather than the rider
7. **Nevada:** 3% of total fare
8. **New York:** In 2017 the State Legislature passed a law allowing TNCs to operate statewide under a single license *except* in cities with a population of over one million (ie New York City). 4% of total fare on trips originating outside of NYC.
9. **Rhode Island:** 7% of total fare to the general fund
10. **South Carolina:** 1% assessment on total fare
11. **South Dakota:** 4.5% of total fare
12. **Wyoming:** 4% of total fare

Other States:

**New Jersey** General Assembly passed a \$0.50 cent per ride tax on July 2, 2018 which will go in to effect on October 1, 2018.

The following cities have implemented some type of fee or tax on TNC trips and/or trip fares:

1. **Chicago, IL:** currently \$0.67 per ride and set to be raised to \$0.72 per ride in 2019
2. **New Orleans, LA:** \$0.50 per trip originating inside the City and Jefferson Parish. 100% of revenues go to enforcement and public safety.

3. **New York, NY:** 8.875% of total fare is taxed and a fee of \$2.75 per trip OR \$0.75 per rider if the ride is pooled
4. **Philadelphia, PA:** 1.4% of total fare on trips originating inside the city
5. **Portland, OR:** \$0.50 per trip
6. **Seattle, WA:** \$0.24 per trip on rides originating inside the city as an accessibility charge
7. **Washington, D.C.:** 6% of total fare

Other Cities:

**San Francisco** has been looking to implement a new tax or fee on TNC's. Supervisor Aaron Peskin (San Francisco Board of Supervisors) originally proposed a ballot initiative to tax gross receipts of ride-hailing companies. However, he dropped this proposal and got Uber and Lyft on board with a per-ride tax on trips that start in SF.

According to a report produced by the San Francisco County Transportation Authority in December 2017, no City in the country has TNC-related regulations or fees based on congestion (see Table 1, page 14), but instead have regulations and fees based on the following principles: safety, transit, equity, disabled access, sustainability, accountability, labor, financial impact, and collaboration.

## Question 2: Stakeholders

Below I've mapped out some of the positions taken by key stakeholders for a few major cities. It was hard to find stances for many stakeholders.

### New Orleans, LA Stakeholders

### Chicago, IL Stakeholders

- **Chicagoland Chamber of Commerce** (Board members include Lyft, Uber, UPS are members) was against increasing the rates of rideshare fees in 2016 stating that Chicago already has the highest in the nation fees, that it would have a significant economic impact on the City of Chicago, and that it would lead to fewer, less accessible transportation options. They were also in favor of bringing car-sharing (Car2Go) to Chicago on a pilot basis 2018 which ultimately passed the Chicago City Council.
- **Uber and Lyft** did not directly object to the most recent increase in surcharge rates in 2018, a modest \$0.05 increase as opposed to previous increase. The City of Chicago also had data to back up attributing a decrease CTA ridership to Lyft and Uber. The City lost approximately \$40 million in revenue potential to ride shares.

### New York, NY Stakeholders

- **Uber and Lyft** supported Manhattan congestion pricing because "it was limited to Manhattan where there is more congestion and also more transportation options than in other boroughs" and it did not single out TNC but included all drivers.
- **Manhattan Chamber of Commerce:** anti driver cap; pro congestion-pricing
- **New York State Restaurant Association:** against curb management; concerned about delivery truck taxing.

- **Partnership for New York City:** a compelling argument is how much productivity is lost and how much congestion costs. Pro-congestion pricing. (PNYC is a business leadership group that represents the city's largest private sector employees)

## Philadelphia, PA

### Stakeholders

- **Greater Philadelphia Chamber of Commerce:** unable to find stance.
- Circumstantially, Lyft and Uber were operating in Pennsylvania under an "experimental license" that was set to expire. This leverage allowed the City and State greater leverage to regulate.

## San Francisco, CA

### Stakeholders

- **The San Francisco Chamber of Commerce** supports a per-trip fee on trips originating in San Francisco. However, the SF Chamber does not have anyone on their board who represents TNC's
- **Golden Gate Restaurant Association** did not list a stance on the issue
- **Transportation Alliance of San Francisco:** supportive of per-trip fee

## Question 3: Messaging

The following specifics were found to be influential in messaging to stakeholders:

- TNC versus Single Occupancy Vehicle (SOV) Tax:
- Taxes on shared and pooled rides vs. individual rides: taxing shared and pooled rides at a lower rate than individual rides as an incentive to carpool and lessen the impact of SOV's.
- What does the revenue fund? It's beneficial to put funding back into transit and transportation improvements, or in to projects that stakeholders are looking for funding for.
- Local regulation is better for cities because they address public interest more specifically than at the statewide level which is generally less restrictive and more relaxed

The following questions and critiques of messaging were important during the decision-making process in each city and state:

- Using congestion pricing and TNC taxation is not an effective argument to "end or decrease gridlock" in certain areas.
- Tone towards middle class drivers (workers): ensuring that the policy does not feel elitist/classist and does not affect the bottom line of the working-class and middle-class drivers.
- TNC's messaging themselves as a first last mile partner.

## Question 4: Seattle Stakeholders

Looking at other cities that have implemented TNC fees and taxes or congestion pricing in a geofenced area these will be the important stakeholders to get on board:

Seattle Metropolitan Chamber of Commerce

Labor

- Will want to make sure that drivers who are largely immigrant, refugee and people of color, are not disparately impacted by a policy

#### Seattle Restaurant Association and Seattle Hotel Association

- Many restaurants also rely on UberEATS, UberRUSH, GrubHub, Doordash, etc, to increase their distribution

#### Arts Associations (especially those located downtown)

- They will want to ensure that the fee isn't so large that it will deter patrons from purchasing tickets and supporting local arts and theatres which are already so heavily impacted by downtown mobility and infrastructure projects;
- On the other hand, the argument can be made that this would be better for their patrons as it could increase mobility by encouraging people to take pooled rides or use public transit.

#### Tourism

##### Nightlife Organizations

- Bars and Restaurants will want to ensure that there is not a fee so large that it will deter their customers from using TNC's to get to and from their establishment

##### Sports Organizations

- 

##### Transportation Organizations

- Supportive so long as it incentivizes decreased reliance on SOV's and increases funding for mass transit projects and options

##### Environmental Organizations

- Will be supportive so long as there is incentive to decrease SOV's and this will impact

##### Environmental Justice Organizations

- Will want to make sure that drivers who are largely immigrant, refugee and people of color, are not disparately impacted by a policy

##### Consumers

- Will not want a large tax or fee imposed on them that exacerbates an already high cost of living in the City

#### Extras and Fun Facts

- According to a study released by New York based *Schaller Consulting* in July 2018 titled "The New Automobility: Lyft, Uber and the Future of American Cities":
  - 70% of Uber and Lyft trips are in nine large, densely populated metropolitan areas of which Seattle is one.
  - TNCs have added approximately 94 million miles to Seattle roads since their beginning
  - Seattleites take an average of 33 TNC trips per year with an estimated 2017 total of 20 million trips (as opposed to an estimated 3 million taxi trips).